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INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

AGENDA

December 14, 1995
Sam W. Mitchell Building -- Room 270
Telephone Conference

Call to order	3:30
Report to Advisory Council Administrative rule changes Notification of licensees Repair of conference telephone	3:35
Presentation of course summaries	3:40
Public Comment	3:55
Discussion of course summaries	4:05
Council direction to staff	4:20
Administrative Details - Next Meeting January 24 or 25, 1996 - Helena, 1 p.m.	4:30
Adjourn	4:30

Insurance Continuing Education Advisory Council

Conference Call Minutes

December 14, 1995

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, Room 270, at 3:30 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Ed Eck, Public Member
Bill Bolt, Professional Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Robin Boon, Independent Insurance Agents of Montana Member
Julie McDade, Public Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

A list of others present is attached as Exhibit 1.

Report to Advisory Council

Administrative rule changes - There were no written or verbal comments concerning the changes. The rules go into effect on December 29, 1995.

Notification of licensees - Notices have been sent approximately 5,000 to licensees who did not comply with the 1994 continuing education requirement. A 14,000 mailing is going out to all licensees who are current on continuing education requirements to comply with 1995.

Repair of conference telephone - The conference phone has been repaired.

Presentation of Course Summaries

Arnold went through the course summary and addendum, attached as Exhibit 2 and 3 respectively.

Public Comment

There was none.

Discussion of Course Summaries

Bebee made a motion to approve all the course summaries. Eck seconded the motion and it carried unanimously.

Council Direction to Staff

Meeting dates were discussed.

Administrative Details - Next Meeting

The next meeting will be in Helena, on January 25, 1995 at 1:00 p.m.

Adjourn

Boon made a motion to adjourn. Leenknecht seconded the motion and it carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

AGENDA

December 14, 1995

Sam W. Mitchell Building -- Room 270

Telephone Conference

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INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - December 14, 1995

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
R. Schabbauer STATE FARM 2601 Bradley	S.F.	443 0694

Please print

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are presented for Advisory Council action.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Government Employees Insurance Companies

Auto Underwriter Handbook (Car95)

This course addresses product knowledge of auto insurance. The course is 6 hours of self-study, computer-based training, including 1½ hours of agent training, designed to provide specific information about insurable risk, automobile peril, insurance underwriting, automobile risk underwriting, insurance contracts, terms and provisions, types coverages and limits, private passenger auto insurance, foreign and special construction vehicles, GEICO policies and coverages and non-owned auto coverage. This is an on-going offering.

Pictorial, Inc.

Financial Products Training Course-3rd Edition

This course addresses product knowledge of life insurance products. The course is 37 hours of self-study correspondence text, designed to provide in-depth information about various financial products, including: insurance, annuities, stocks, bonds, money market instruments, futures, mutual funds and deposit accounts; investment recommendations, income tax rules and the effects of financial planning. This is a revision of course 5-2000-008. This is an on-going offering.

LTC, Inc. (doing business as LTC of Washington)

An Introduction to Long-Term Care Insurance

This course addresses product knowledge of long term care insurance. The course is 10 hours of self-study correspondence text, including 5 hours of agent training, designed to provide specific information about long-term care definitions, risks and costs, long-term care policies, coverages, benefits, underwriting, treatment of pre-existing conditions and AMEX Life's Series #50020 long term care insurance policy and Home & Community Care Rider. This is an on-going offering.

American Society of CLU & ChFc

The following listing includes biennial completion of 40 class hours in specified courses by participants as part of the PACE certification program.

Professional Achievement in Continuing Education (PACE)

The following courses are part of the CLU and ChFC certification programs.

Understanding Life Insurance and the Concept of Split Dollar
VTC-Simple Concepts to Complex Problems

Montana Association of Life Underwriters/WMALU

Life Insurance as a Multiline Sale

This course addresses marketing capability of life insurance products. The course is 3 hours of classroom instruction designed to provide general information about life insurance, loss experience, products available, analyzing client needs and property/casualty referrals. This course was scheduled December 11, 1995.

Missoula County High School Adult & Continuing Education

Investing

This course addresses product knowledge of life insurance and annuities. The course is 10 hours of classroom instruction designed to provide general information about life insurance, term, whole, universal and variable universal policies, annuities, stocks, financial planning, certificates of deposit, bonds and mutual funds. This is an on-going offering.

Columbus Life Insurance Co.

Understanding & Explaining First- and Second-to-Die Products

This American College course was previously summarized in the course submission summaries December 8, 1994.

Transamerica Occidental Life

Wealth Creations with Life Insurance

This course addresses product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide basic information about life insurance, survivorship life insurance, including life insurance in a trust for the care of physically or mentally disabled heirs and grantor remainder income trusts (GRITs). The course is scheduled January 12, 1996.

Crop Growers Insurance, Inc. (formerly Continental)

1996 Spring Crop Insurance Update

This course addresses product knowledge and marketing capability of crop insurance. The course is 7 hours of classroom instruction, including 1½ hours of agent training, designed to provide specific information about 1996 changes to the Federal Crop Insurance Program, multi-peril crop insurance program, reforms and updates, revised forms and service procedures, actuarial changes and acreage reporting requirements. The course is scheduled January 30, 1996.

Redland Insurance Company/American Agrisurance

1996 Spring Crop Insurance Update

This course addresses product knowledge and marketing capability of crop insurance. The course is 7 hours of classroom instruction, including 1½ hours of agent training, designed to provide specific information about 1996 changes to the Federal Crop Insurance Program, multi-peril crop insurance program, reforms and updates, revised forms and service procedures, actuarial changes and acreage reporting requirements. The course is scheduled January 16, 1996.

National AG Underwriters Inc.

1996 Spring MPCI Training Meeting

This course addresses product knowledge and marketing capability of crop insurance. The course is 8 hours of classroom instruction, including 2½ hours of agent training, designed to provide specific information about 1996 changes to the Federal Crop Insurance Program, multi-peril crop insurance program, reforms and updates, revised forms and service procedures, actuarial changes and acreage reporting requirements. The course is scheduled February 13, 1996.

State Farm Insurance

F196-Apartment & Condominium/Association Policies Coverage

This course addresses product knowledge of property insurance. The course is 1 hour of classroom instruction, including ½ hour of agent training, designed to provide general information about State Farm Apartment and Condominium/Association Policy coverages and forms. No offerings scheduled.

H196-Mortgage Disability Income

This course addresses product knowledge of disability insurance. The course is 1 hour of classroom instruction, including ½ hour of agent training, designed to provide general information on the State Farm Mortgage Disability Income Insurance policy, coverages, application and product marketing. No offerings scheduled.

M296-Insurance Affordability Issues

This course addresses marketing capability of insurance products. The course is 2 hours of self-study videotape instruction designed to provide general information regarding insurance rate structure and increases. No offerings scheduled.

M196-Agents' Professional Liability

This course addresses management and ethics. The course is 2 hours of classroom instruction designed to provide general information on professional liability of insurance licensees, errors and omission, reducing exposure by being systematic. No offerings scheduled.

L296-Life Ratebook/Policy Review

This course addresses product knowledge of life insurance. The course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide basic information about life insurance policies and rates. No offerings scheduled.

F496-Underwriting Business Insurance

This course addresses product knowledge of business insurance. The course is 2 hours of classroom instruction, including 1 hour of agent training, designed to provide general information about underwriting Business Policy applicants according to the State Farm Commercial Lines Manuals. No offerings scheduled.

F396-Fire Company Applications & Claim Workshop

This course addresses product knowledge of property insurance. The course is 1 hour of classroom instruction, including ½ hour of agent training, designed to provide general information about State Farm Fire Company applications, claim reports and homeowners, boatowners and personal fire insurance coverages. No offerings scheduled.

F296-Fidelity & Surety Bonds

This course addresses product knowledge of commercial lines insurance. The course is 1 hour of classroom instruction, including 1 hour of agent training, designed to provide general information about fidelity and surety bonds offered by State Farm. No offerings scheduled.

A196-Auto Loss Control

This course addresses management of auto policy claims. The course is 1 hour of classroom instruction designed to provide specific information about auto insurance claims reduction and risk evaluation of policyholders. No offerings scheduled.

H296-The Living Death (Disability Income)

This course addresses product knowledge of disability insurance. The course is 1 hour of classroom instruction, including ½ hour of agent training, designed to provide general information on the State Farm Disability Income Insurance policy, coverages, application and product marketing. No offerings scheduled.

Tanner and Associates

Credit Life and Disability Insurance

This course addresses ethics and product knowledge of credit life and credit disability insurance. The course is 5 hours of classroom instruction designed to provide specific information on the Insurance Fraud Protection Act, general insurance law provisions, credit life and credit disability insurance policies and coverages. No offerings are scheduled pending approval.

Mountain West Farm Bureau

Professional Staff Development

This course addresses ethic and management of office operation. The course is 6½ hours of classroom instruction and video presentation designed to provide general information about office operation, policy content, confidentiality and other ethical issues to office support staff. The course is scheduled January 23, 1995.

National Association of Surety Bond Producers

The following courses were previously summarized in the course submission summary January 11, 1995. Course offerings are scheduled February 5, 1996.

William J. Angell Surety School Level I
William J. Angell Surety School Level II

United Insurance Educators, Inc.

Montana Law

This course addresses ethics and general Montana insurance statutes. The course is 2 hours of self-study correspondence text designed to provide specific information on statutory requirements regarding insurance licensing, advertising practices, types and lines of insurance and general information on Montana policy requirements for casualty and long term care insurance. This is an on-going offering.

Financial Planning for Women

This course addresses product knowledge of financial planning. The course is 20 hours of self-study correspondence text designed to provide specific information about financial planning concerns specific to women including 8 hours of instruction on life, health, property and casualty insurance products, coverages and riders and increased coverages useful to female clients. This is an on-going offering.

Delta Life and Annuity Company

Focus on Annuities

This course addresses product knowledge and marketing of annuities. The course is 2 hours of classroom seminar, including ½ hour of agent training, designed to provide general information about fixed and variable rate annuities, interest rate mechanics, flexible and single premium deferred and income annuities and taxation of annuities. No offerings are scheduled pending approval.

Lutheran Brotherhood

LCF (Lutheran Community Foundation) Gift Planner Training School

This course addresses product knowledge and marketing of life insurance. The course is 13 hours of classroom instruction, including 5 hours of agent training, designed to provide specific information about charitable life insurance and gift annuities. The course is scheduled February 8, 1996.

Assurex International

1996 Life & Benefits Group Conference

This course addresses product knowledge of life, disability and health insurance. The course is 16 hours of classroom instruction, including 11½ hours of agent training designed to provide general information about tuition payment insurance, life insurance, long term care insurance, annuities, errors and omissions coverage and health care markets. The course is scheduled January 22, 1996.

Western Montana Association of Life Underwriters

The following American College course was previously summarized in the course submission summary February 22, 1994.

The Valuation of a Closely Held Business

Aid Association for Lutherans

Business Insurance Fundamentals

This course addresses product knowledge of business insurance products. The course is 5 hours of classroom instruction designed to provide general information about key employee insurance, deferred compensation, buy-sell agreements, life insurance ownership and assignment. No offerings scheduled pending approval.

Montana Insurance Department - Fraud Program

The following five courses were summarized as the *Insurance Fraud Symposium* in the course submission summary September 14, 1995.

What Works-Setting up an Insurance Fraud Unit
Recognizing Insurance Fraud
The Commissioner's Policyholder Services
Mandatory Reporting through the NICB/The First Line of Defense
Proving the Fraud Case

Louisiana State University Office of Independent Study

Business Law

This course addresses ethics. The course is 72 hours of self-study correspondence instruction designed to provide general information on business law, including 10 hours of insurance law cases and applications. This is an on-going offering.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are presented for Advisory Council action.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Life Underwriter Training Council

$25 Million International Forum 1996

This course addresses product knowledge, ethics, management and marketing capability. The course is 14½ hours of classroom instruction, including concurrent sessions on Banks and Insurance, Selective Retirement plans, Leaving a Legacy and Charitable Estate Planning. The course is scheduled January 14, 1996.

Insurance Continuing Education Advisory Council

Conference Call Minutes

November 16, 1995

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, Room 270, at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Tony Leenknecht, Montana Association of Life Underwriters Member
John Bebee, Unaffiliated Insurance Agent Member
Robin Boon, Independent Insurance Agents of Montana Member

Staff Present

Mary Arnold, Continuing Education Program
Frank Cote, Deputy Insurance Commissioner
Nita Holman, Recording Secretary
Michelle Huftel, Administrative Assistant
Cathy Mudd, Licensing Technician

A list of others present is attached as Exhibit 1.

Presentation of Proposed Administrative Rule Changes

Arnold went through the changes being proposed to the rules, submitted as Exhibit 2. Continuing Education fees will be reduced from $25.00 to $10.00. The late renewal fee will be

reduced from $50.00 to $20.00. This late fee is in addition to the filing fee, when imposed.

Presentation of Course Summaries

Arnold went through the Course review summaries, marked as Exhibit 3.

Review of 1995 Montana Insurance Continuing Education Licensee Written Certification form, CE-1

Arnold went through the CE-1 form, attached as Exhibit 4.

Public Comment

Ron Ashabraner provided copies of State Farm courses, Gray Market Cars and After Market Parts, so the Commissioner may review the classes for credit hours assignment.

Discussion of Proposed Administrative Rule Changes and Administrative Rule Hearing

The council agreed on the changes. It was discussed whether the council need attend the hearing. The attending members agreed to be present via teleconference.

Discussion of Course Summaries

Bebee made a motion to accept the course summaries. Leenknecht seconded the motion and it carried unanimously.

Council Direction to Staff

There was none.

Administrative Details - Next Meeting

Administrative Rules Hearing - November 30, 1995, telephone conference or Helena, 1:30 p.m.

Telephone conference December 14, 1995, 3:30.

Boon made a motion to adjourn. The motion was seconded by Bebee, and carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

November 16, 1995
Sam W. Mitchell Building -- Room 270
Telephone Conference

Call to order	3:00
Presentation of proposed administrative rule changes (As published)	3:05
Presentation of course summaries	3:10
Review of *1995 Montana Insurance Continuing Education Licensee Written Certification* form, CE-1	3:25
Public Comment	3:30
Discussion of proposed administrative rule changes and administrative rule hearing	3:40
Discussion of course summaries	3:45
Council direction to staff	3:50
Administrative Details - Next Meeting	4:00

Administrative Rules Hearing - November 30
telephone conference or Helena, 1:30 pm

December 14, 1995 - Telephone conference, 3 pm

Adjourn 4:00

November 14, 1995

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - November 16, 1995

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Ron Schlabach 2601 Broadway	State Farm	443 0694

Please print

BEFORE THE STATE AUDITOR
AND COMMISSIONER OF INSURANCE
OF THE STATE OF MONTANA

In the matter of the proposed amendment of Rules 6.6.4102 and 6.6.4202 pertaining to insurance licensee continuing education fees and continuing education program administrative rule definitions	NOTICE OF PUBLIC HEARING

TO: All Interested Persons.

1. On November 30, 1995, at 1:30 p.m., a public hearing will be held in the conference room of the State Auditor's Office, Room 270, Mitchell Building, 126 North Sanders, Helena, Montana, to consider the amendment of rules 6.6.4102 and 6.6.4202.

2. The rules as proposed to be amended provide as follows:

6.6.4102 CONTINUING EDUCATION FEES
(1) Licensees:
(a) Filing annual certification of course completion . . . . . $ ~~25.00~~ 10.00
(b) Late renewal fee . . . . . $ ~~50.00~~ 20.00
(c) The late renewal fee is separate and distinct from the annual certification of course completion fee. Licensees required to pay the late renewal fee in a given year must also pay the annual certification of course completion fee for that year.
(2) through (4) remain the same.

AUTH: Sections 33-1-313, 33-2-708, and 33-17-1206, MCA
IMP: Sections 33-2-708, 33-17-1204, 33-17-1205, and 33-17-1207, MCA

6.6.4202 DEFINITIONS For the purposes of this sub-chapter, the following terms have the following meanings:
(1) through (3) remain the same.
(4) "Classroom setting" means a course format in which a body of students meets to study the same course materials under the direction of the same approved instructor.
(5) through (10) remain the same.
~~(11) "Selling of credit life and disability insurance incidental to other noninsurance activities" means , for the purposes of determining which licensee must complete continuing education requirements, cumulative annual premiums for a calendar year sold in an amount less than $5000.00.~~
~~(12)~~(11) Text remains the same.
~~(13)~~ (12) "Sponsoring organization" means any group(s) or organization(s) and their agent(s) that submits courses for

department review and offers or provides approved courses for continuing education credit to allow licensees to meet the requirements of 33-17-1203 and 33-17-1204, MCA, and is responsible for those course offerings.

AUTH: Sections 33-1-313 and 33-17-1206, MCA
IMP: Section 33-17-1203, and 33-17-1204, MCA

3. Rule 6.6.4102 is being amended because Section 33-17-1207, MCA, requires that funds generated from operation of the continuing education program may be used only to defray the expenses incurred by the state auditor's office in discharging its duties as prescribed by the Insurance Producer and Consultant Continuing Education Act, subject to applicable state fund appropriation laws and other considerations. The fee levels must be adjusted in order to comply with this directive. Rule 6.6.4202 is being amended because the exemption for individuals selling only credit life and disability insurance incidental to other non-insurance activities was removed by the 1995 Montana Legislature.

4. Interested parties may submit their data, views or arguments concerning the proposed amendments, either orally or in writing, at the hearing. Written data, views, or arguments may also be submitted to Gary Spaeth, 126 North Sanders, Helena, Montana 59624 or P.O. Box 4009, Helena, Montana 59604-4009, and must be received no later than December 7, 1995.

5. The State Auditor's Office will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing. If you request an accommodation, contact the Department by not later than 5:00 p.m., November 23, 1995, to advise us of the nature of the accommodation needed. Please contact the State Auditor's Office, attn: Ms. Mary Arnold, P.O. Box 4009, Helena, MT 59604-4009; telephone (406) 444-2040; fax (406) 444-3497; TDD (406) 444-3246.

6. Gary Spaeth has been designated to preside over and conduct the hearing.

Mark O'Keefe
State Auditor and Commissioner
of Insurance

By: _____
Frank Coté
Deputy Insurance Commissioner

_____
Elizabeth A. O'Halloran
Rules Reviewer

Certified to the Secretary of State this 30th day of October, 1995.

21-11/9/95

MAR Notice No. 6-62

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are presented for Advisory Council action.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

The American College

The following courses are part of the American College CLU and ChFC certification program.

CE 213 The Role Of Insurance Protection in Financial Planning
CE 214 Estate Planning Strategies using Life Insurance

Assurex International

Proslip (Professional Surplus Lines Insurance Program) Quality Assurance Seminar

This course addresses product knowledge of errors and omissions insurance and ethics. The course is 3 hours of classroom instruction, including ½ hour of agent training, designed to provide specific information on errors and omissions loss prevention for wholesalers and managing general agencies and instruction on in-house policy handling procedures. No offerings are scheduled pending approval.

Hartford Life Insurance Company

Split Dollar Life Insurance

This course addresses product knowledge of life insurance. The course is 3 hours of classroom instruction, including a videotape, panel discussion, designed to provide general information on split dollar life insurance, employer versus employee ownership, death and corporate repayment, s-corporations and income disclosure requirements. No offerings are scheduled pending approval.

Lorman Business Center, Inc.

Insurance Law: Bad Faith

This course addresses ethics. The course is 3½ hours of classroom instruction designed to provide specific information on insurance bad faith, insured's basis of recovery and the recent O'Fallon decision. The course is scheduled January 30, 1996.

Time Insurance/Fortis Sales

Individual Medical PT1093R

This course addresses product knowledge of disability insurance. The course is 2½ hours of classroom instruction, including 1½ hours of agent training, designed to provide general information on state mandated medical benefits and Time's individual medical products. No offerings are scheduled pending approval.

Charitable Giving 0895

This course addresses product knowledge of life insurance. The course is 2 hours of classroom instruction designed to provide general information on using life insurance as a vehicle for charitable donations. No offerings are scheduled pending approval.

Focus on Variable Universal Life

This course addresses product knowledge of life insurance. The course is 2½ hours of classroom instruction designed to provide general information on variable universal life insurance, death benefits, loans and withdrawals, free look and exchange periods, regulation as a security and other regulations affecting variable universal life insurance. No offerings are scheduled pending approval.

United Insurance Educators, Inc.

Financial Planning for Women

This course addresses product knowledge and marketing insurance products. The course is 20 hours of self-study correspondence, designed to provide specific information on insurance needs of female clients, need variations based on marital status, income level, retirement, risk versus gain presentations and appropriate whole and variable life insurance products and other equity and savings vehicles. This is an on-going offering.

Contractors Bonding and Insurance Company

Contract Bond Underwriting

This course addresses product knowledge of contractors bonds. The course is 7 hours of classroom instruction, including 2½ hours of agent training on Contractor's Bonding and Insurance Company policies, designed to provide in-depth information analysis of financial statements, work in process reports, credit histories, accounts and review of indemnity, bonds and contracts. No offerings are scheduled pending approval.

Richards Education Service

Business Insurance of the 90's

This course addresses product knowledge of business insurance. The course is 20 hours of self-study correspondence instruction, designed to provide general information on qualified and non-qualified plans, insurance needs for varied types of business organizations, group insurance, executive bonus plans, group life and health insurance and covering retirees. This is an on-going offering.

Colonial Life & Accident Insurance Company

Voluntary Benefits Class

This course addresses product knowledge and marketing of group insurance. The course is 1 hour of classroom instruction designed to provide basic information on providing voluntary employee benefits, including: life, health and disability insurance, long-term care, specific loss, dental and vision insurance. The course is scheduled January 15, 1996.

Advanced Education Services

Insurance Product Review

This course addresses product knowledge of life insurance products, insurance law and ethics. The course is 10 hours of classroom instruction designed to provide basic information on life insurance definitions and cash value, beneficiaries, whole life, annuities and taxation of life insurance. No offerings are scheduled pending approval.

Dearborn Financial Publishing/R&R Newkirk

Business Insurance, 6th Edition

This course addresses product knowledge of business insurance. The course is 37 hours of self-study correspondence instruction designed to provide specific information on business ownership and appropriate life insurance for business continuation plans. This is an on-going offering.

Mid-State School of Insurance

Review of Montana Insurance Statutes & 1995 Legislative Changes

This course addresses insurance law, ethics and changes to insurance statutes. The course is 2½ hours of classroom instruction designed to provide specific information on ethical behavior in and by members of the insurance industry, 1995 amendments to the Small Employer Health Insurance Act and the Insurance Fraud Act. This course addresses product knowledge of business insurance. The course was scheduled November 7, 1995.

National Structured Settlements Trade Association

1995/96 Regional Membership Meetings

This course addresses product knowledge and ethics. The course is 12 hours of classroom instruction designed to provide specific information on using annuities for property claims, providing on-going health care for settlement annuitants, industry ethics and insurance solvency. The course is scheduled January 18, 1996.

Portamedic Division of Hooper Holmes

Preparing Your Client for Underwriting, Course II

This course addresses ethics. The course is 1 hour of classroom instruction designed to provide general information on medical and non-medical exams conducted while generating underwriting information and how to prepare a client for this preface to policy writing. No offerings are scheduled pending approval.

CHANGE OF ADDRESS

Montana Insurance Law requires licensees to file any change of address with the department within 30 days. Send a letter with any business address correction and submit the license amendment and a $15 fee to the Insurance Licensing Division.

VOLUNTARY TERMINATION

Licensees who do not wish to complete continuing education requirements may voluntarily terminate their Montana insurance license. Send your license and a letter requesting license termination to the Montana Insurance Division.

NON-RESIDENT RENEWAL

Non-resident licensees must file this written certification form, a current letter of license certification (not more than 60 days old), the $10 continuing education fee and the $10 non-resident renewal fee by the filing deadline date. Non-resident Montana licensees who are residents of non-reciprocal states for continuing education must complete Montana approved courses to comply. Late fees must be included, if filing after the deadline date.

LICENSE SUSPENSIONS

Licenses of individuals who do not meet their insurance continuing education requirement will be suspended until the licensee has met the requirement, filed certification of course completion, fees and late fees. After 1 year, suspended licenses will be terminated.

EXTENSIONS

Prior to December 31, licensees may request in writing an extension to complete required credits. The request must include the reasons for the request and documentation supporting the request.

Form CE-1, 10/95

DRAFT

SUBMISSION REQUIREMENTS

Requirements

All resident and non-resident insurance producers and consultants licensed in Montana must annually meet the continuing education requirements by December 31.

Persons licensed to sell only property, casualty, surety or title insurance **or** persons licensed to sell only life, health or disability insurance must complete at least 10 approved credit hours a year.

Persons licensed to sell both property, casualty, surety or title **and** life and disability insurance must complete 15 approved credit hours a year.

Persons licensed to sell **only** credit life and credit disability insurance must complete 5 approved credit hours of courses in the following categories: credit life and disability insurance, ethics and insurance law.

Once during every two year period, each licensee must meet the requirement of a minimum of 1 approved credit hour of changes in Montana insurance statutes and administrative rules.

Fee

The annual certification fee is $10. This form and a check to the Montana Insurance Division must be received by the filing deadline.

Filing Deadline Dates

Filing deadline dates for insurance continuing education courses completed in 1995 are:

Last Name	Date
A - C	January 15, 1996
D - H	February 15, 1996
I - L	March 15, 1996
M - O	April 15, 1996
P - S	May 15, 1996
T - Z	June 15, 1996

Late Fees

Licensees who complete courses after December 31, 1995 or submit annual certifications after the filing deadline date must include the $20 late renewal fee.

1995 MONTANA INSURANCE CONTINUING EDUCATION LICENSEE WRITTEN CERTIFICATION

DRAFT

Send certification forms and questions regarding the Montana Insurance Continuing Education Program to:

Montana State Auditor's Office
Continuing Education Program
P. O. Box 4009
Helena, Montana 59604-4009

1995 MONTANA INSURANCE CONTINUING EDUCATION
LICENSEE WRITTEN CERTIFICATION

NAME (As licensed) _____

LICENSE NUMBER(S) (Individual/Agency) _____

SOCIAL SECURITY NUMBER _____

BUSINESS ADDRESS (Street Address) _____

(City, State, Zip Code) _____

MAILING ADDRESS (P. O. Box Number, City, Zip Code) _____

PHONE (_____)_____

FEES ENCLOSED

- ☐ $10 Continuing Education
- ☐ $10 Non-resident license
- ☐ $20 CE late fee
- ☐ $10 Non-resident late fee

(Check fees enclosed)

DRAFT

☐ **I am a non-resident licensee of a state reciprocal with Montana for continuing education. Enclosed is continuing education and license certification from my state of residence, the $10 continuing education filing fee and the additional $10 non-resident license fee.**

MONTANA APPROVED COURSES COMPLETED TO MEET THE 1995 REQUIREMENT

SPONSORING ORGANIZATION	COURSE NUMBER	COURSE TITLE	CREDITS	DATE COMPLETED

DRAFT

I certify, under penalty of law, that the above information is correct and true. I understand that falsification is grounds for license revocation, 33-17-1001, MCA.

_____

Signature **Print Name** **Date**

Insurance Continuing Education Advisory Council

Conference Call Minutes

October 26, 1995

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, Room 270, at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Ed Eck, Public Member
John Bebee, Unaffiliated Insurance Agent Member
Robin Boon, Independent Insurance Agents of Montana Member

Staff Present

Mary Arnold, Continuing Education Program
Frank Coté, Deputy Commissioner of Insurance
Jeannie Davies, Recording Secretary
Cathy Mudd, Licensing Technician
Michelle Huftel, Administrative Assistant
Veronica Hinkle, Licensing Technician

A list of others present is attached as Exhibit 1.

Budget Presentation

Frank Coté presented the budget figures attached as Exhibit 2, as well as the proposing licensee fee reduction to the members for discussion. Coté also proposed a review of the continuing education program.

Presentation of Proposed Administrative Rule Changes

Mary Arnold presented the legislature's decision to reduce all administrative rules by the end of 1995 and its effect on the continuing education administrative rules.

Arnold presented the proposed administrative rule changes including the fee changes and the draft Notice of Public Hearing incorporating those changes.

Presentation of Course Summaries

Arnold presented the course summaries currently being reviewed. Members discussed the D. A. Davidson Company summary and requested Arnold verify the 5 hours of classroom instruction for this course. Members also discussed the National Association of Independent Life Brokerage Agents (NAILBA) course, Prostate and Cancer. The course will be withdrawn from consideration at this time and additional information will be requested.

Arnold also presented additional information from ServPro Industries, Inc. regarding a course submission that had previously been withdrawn. Arnold suggested that the course submission did not meet the criteria for an insurance continuing education course.

Public Comment

Ron Ashabraner commented on the legislature's decision to reduce administrative rules, and the lack of an administrative rules hearing regarding course submissions. There was some discussion on the process of administrative rules.

Discussion of Proposed Administrative Rule Changes

Mark Nelson reviewed the proposed administrative rule changes that were presented. Ed Eck moved to adopt the proposed rule changes and requested the proposal be finalized for administrative rules hearing. Bebee seconded the motion. Motion Carried unanimously.

Discussion of Course Summaries

The course offering for the NAILBA course, Prostate and Cancer will be withdrawn at this time until further information is received. Bebee moved to accept the rest of the offerings. Eck seconded the motion. Motion carried unanimously.

Council Direction to Staff

Boon moved and Bebee seconded a motion to have the teleconference phone repaired. The motion passed unanimously.

Administrative Details - Next Meeting

The next meeting will be a teleconference on November 16, 1995, at 3:00 p.m.

There will be a public hearing on November 30, 1995, on the continuing education rules. The time will be announced later.

Adjourn

Bebee moved to adjourn the meeting. Leenknecht seconded the motion. Motion carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

October 26, 1995
Sam W. Mitchell Building -- Room 270
Telephone Conference

Call to order	3:00
Budget Presentation Frank Coté, Deputy Commissioner of Insurance Lorene Thorson, Centralized Services Administrator	3:05
Presentation of proposed administrative rule changes	3:25
Presentation of course summaries	3:50
Public Comment	4:00
Discussion of proposed administrative rule changes	4:15
Discussion of course summaries	4:35
Council direction to staff	4:55
Administrative Details - Next Meeting November 16, 1995 Telephone Conference - 3:00 pm	5:00
Adjourn	5:00

October 23, 1995

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

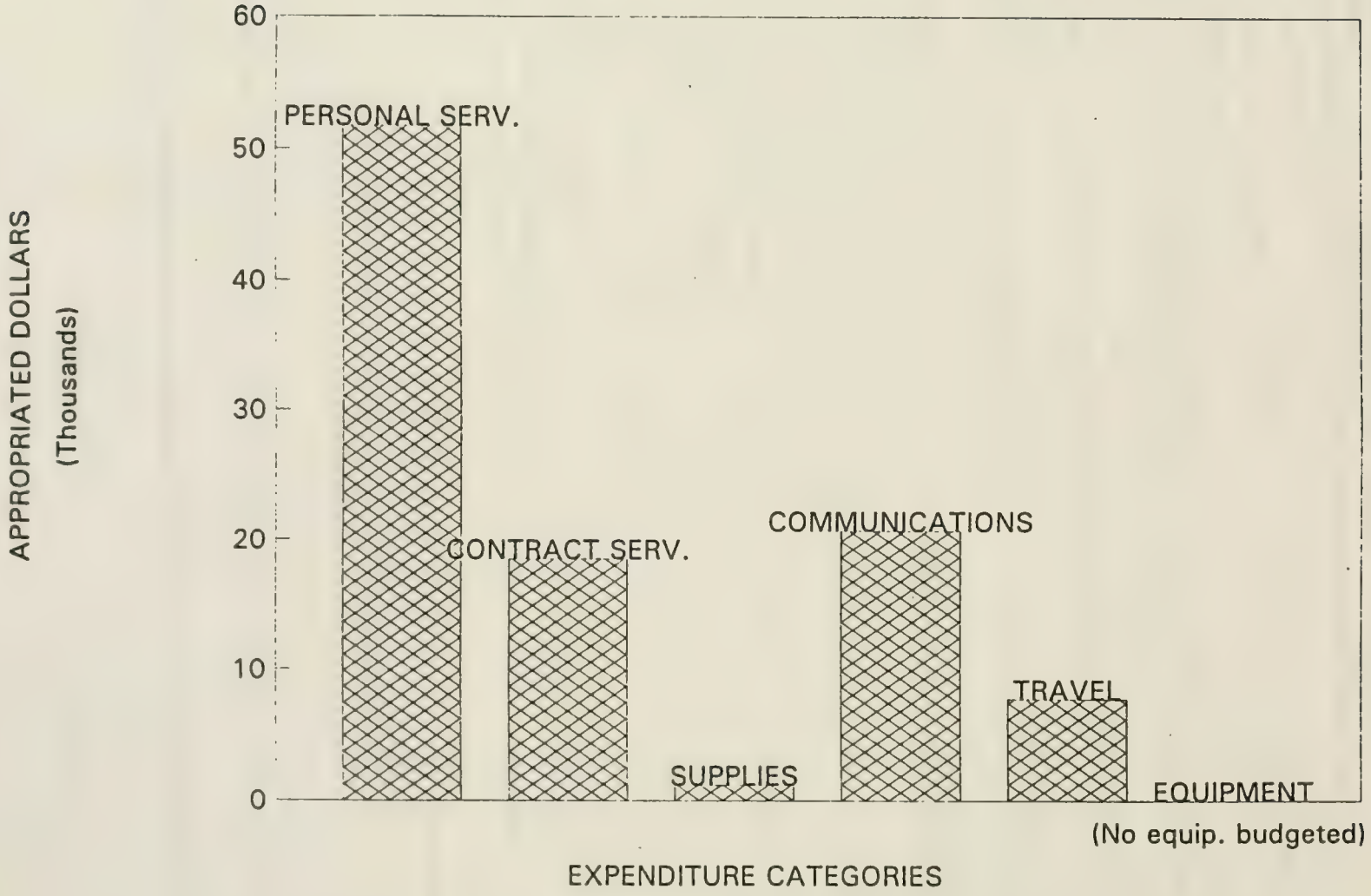
Meeting - October 26, 1995

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Ron Ashelbrenner	State Farm	
Frank Cate	State Auditor	
Veronica Hinkle		
Cathy Mudd		
Michelle Hufstedler		

Please print

CONTINUING EDUCATION

Operational Budget FY95



STATE OF MONTANA
RESPONSIBILITY CENTER FINANCIAL REPORT
FOR THE MONTH OF: FISCAL YE, 1995
CENTER 38 - CONTINUING EDUCATION
FISCAL PERIOD: 07-01-94 TO 06-30-95 PERCENT ELAPSED TIME: YTD 100% (PAYROLLS 100%)

PART A - OBJECT SUMMARY

	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	ENCUMBERED	BALANCE	%COL
INCOME							
0310 CONTINUING ED	186,000.00	19,520.00	199,338.82			13,338.82-	107%
*** TOTALS - BUDGETED INCOME	186,000.00	19,520.00	199,338.82			13,338.82-	107%
	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	ENCUMBERED	BALANCE	%COM
EXPENSES							
* * PERSONAL SERVICES							
SALARIES							
1101 REGULAR		1,245.72	21,902.93				
1100-SALARIES	8,281.00-	1,245.72	21,902.93			30,183.93-	
EMPLOYEE BENEFITS							
1401 FICA		74.93	1,322.39				
1402 RETIREMENT - OTHER		83.46	1,442.05				
1403 GROUP INSURANCE		172.50	2,765.50				
1404 WORKERS COMPENSATION INSUR		10.92	286.16				
1409 MEDICARE TAX		17.53	309.28				
1410 STATE UNEMPLOYMENT TAX		3.12	54.86				
1400-EMPLOYEE BENEFITS	5,453.00	362.46	6,180.24			727.24-	113%
HEALTH INSURANCE							
1500-HEALTH INSURANCE	4,560.00					4,560.00	
1000-PERSONAL SERVICES	1,732.00	1,608.18	28,083.17			26,351.17-	621%
* * OPERATING EXPENSES							
OTHER SERVICES							
2104 INSURANCE & BONDS			450.96				
2114 PAYROLL SERVICE FEES			17.16				
2134 HONORARIUMS			925.00				
2174 DATA NETWORK SERV/D OF A		40.00	480.00				
2187 RECORDS STORAGE			9.38				
2190 PRINTING/PUB & GRAPHICS		24.77	2,661.49				
2191 PRINTING/OTHER PROVIDER			48.00				
2100-OTHER SERVICES	18,460.00	64.77	4,591.99			13,868.01	25%
SUPPLIES & MATERIALS							
2210 MINOR TOOLS, INSTRUM., & EQUIP			136.53				
2212 PHOTO & REPRODUCTION			248.93				
2226 FINE PAPER/CENTRAL STORES			163.94				
2236 OFC SUPPLIES/CENTRAL STORES			533.88				
2241 OFC SUPP/MIN EQUIP/NON-ST REV		3.46	1,366.16				
2245 DATA PROCESG SUPP/MINOR EQUIP			95.57				
2249 MINOR SOFTWARE.			23.82				
2200-SUPPLIES & MATERIALS	1,200.00	3.46	2,568.83			1,368.83-	214%
COMMUNICATIONS							
2304 POSTAGE & MAILING			3,682.44				

STATE OF MONTANA
RESPONSIBILITY CENTER FINANCIAL REPORT
FOR THE MONTH OF: FISCAL YE, 1995
CENTER 38 - CONTINUING EDUCATION
FISCAL PERIOD: 07-01-94 TO 06-30-95 PERCENT ELAPSED TIME: YTD 100% (PAYROLLS 100%)

PART A - OBJECT SUMMARY

	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	ENCUMBERED	BALANCE	%COM
EXPENSES							
2307 MESSENGER SERVICES - D OF A			126.36				
2308 POST OFFICE BOX RENTAL			22.14				
2370 TELEPHONE EQUIP CHRG/D OF A		2.34	402.95				
2371 TELEPHONE EQUIP CRG/NON-D OF A			13.61				
2372 TELEPHONE ADD/MOVE/CHANGE			17.44				
2373 TELEPHONE EQUIP MAINTENANCE			2.18				
2385 LONG DISTANCE CHRG/D OF A		186.27	3,038.42				
2389 TELEPHONE DIRECTORIES			5.13				
2300-COMMUNICATIONS	20,640.00	188.61	7,310.67			13,329.33	35%
TRAVEL							
2401 IN-STATE PERSONAL CAR MILEAGE			238.68				
2407 IN-STATE MEALS			28.00				
2497 NON-EMPLOYEE IN-STATE LODGING			31.20				
2498 NON-EMPLOYEE TRAVEL			1,165.86				
2400-TRAVEL	7,750.00		1,463.74			6,286.26	19%
RENT							
2517 LEASED EQUIPMENT			206.63				
2527 RENT/D OF ADM BLDGS			2,219.36				
2500-RENT			2,425.99			2,425.99-	
REPAIR & MAINTENANCE							
2701 BUILDINGS & GROUNDS			120.07				
2704 OFFICE EQUIPMENT			10.95				
2706 VEHICLES - PASSENGER			36.91				
2750 MAINTENANCE CONTRACTS			24.78				
2700-REPAIR & MAINTENANCE			192.71			192.71-	
OTHER EXPENSES							
2801 DUES			450.00				
2802 SUBSCRIPTIONS			14.64				
2817 MEETINGS/CONFERENCE COSTS			30.62				
2853 PUBLIC RELATION EXPENSES			45.27				
2800-OTHER EXPENSES			540.53			540.53-	
2000-OPERATING EXPENSES	48,050.00	256.84	19,094.46			28,955.54	40%
* * EQUIPMENT & INTANGIBLE ASSETS							
EQUIPMENT							
3104 COMMUNICATIONS		7,120.00	25,903.00				
3100-EQUIPMENT	30,000.00	7,120.00	25,903.00			4,097.00	86%
3000-EQUIPMENT & INTANGIBLE ASSETS	30,000.00	7,120.00	25,903.00			4,097.00	86%
*** TOTALS - BUDGETED EXPENSES	79,782.00	8,985.02	73,080.63			6,701.37	92%

PART B - BALANCE FORWARD

BEGINNING BALANCE .00

STATE OF MONTANA
RESPONSIBILITY CENTER FINANCIAL REPORT
FOR THE MONTH OF: FISCAL YE, 1995
CENTER 38 - CONTINUING EDUCATION
FISCAL PERIOD: 07-01-94 TO 06-30-95 PERCENT ELAPSED TIME: YTD 100% (PAYROLLS 100%)

PART B - BALANCE FORWARD

TOTAL INCOME TO DATE	199,338.82	
TOTAL EXPENSE TO DATE	73,080.63	
INCOME LESS EXPENSES		126,258.19
ENDING BALANCE		$ 126,258.19

PART C - THIS MONTHS TRANSACTION DETAILS

OBJECT CODE	FORM CODE	DOCUMENT NUMBER	TRANSACT DATE	TRANSACTION REFERENCE	BUDGET	INCOME	EXPENSE
INCOME							
0310	271	195118	07/14/95	FINAL INS REV XFER FOR 6/95		19,520.00+	
				NET TOTAL FOR OBJECT		$ 19,520.00	
				NET TOTAL INCOME		$ 19,520.00	

OBJECT CODE	FORM CODE	DOCUMENT NUMBER	TRANSACT DATE	TRANSACTION REFERENCE	BUDGET	INCOME	EXPENSE
EXPENSES							
1100	213	195016	07/19/95	PROG 3 OPS PLAN AMEND	50,000.00-		
				NET TOTAL FOR OBJECT	$ 50,000.00-		
1101	232	7935	06/30/95	PAY PERIOD ENDING 06/23/95			830.48+
1101	232	8254	07/17/95	PAY PERIOD ENDING 07/07/95			415.24+
				NET TOTAL FOR OBJECT			$ 1,245.72
1401	232	7935	06/30/95	PAY PERIOD ENDING 06/23/95			49.95+
1401	232	8254	07/17/95	PAY PERIOD ENDING 07/07/95			24.98+
				NET TOTAL FOR OBJECT			$ 74.93
1402	232	7935	06/30/95	PAY PERIOD ENDING 06/23/95			55.64+
1402	232	8254	07/17/95	PAY PERIOD ENDING 07/07/95			27.82+
				NET TOTAL FOR OBJECT			$ 83.46
1403	232	7935	06/30/95	PAY PERIOD ENDING 06/23/95			115.00+
1403	232	8254	07/17/95	PAY PERIOD ENDING 07/07/95			57.50+
				NET TOTAL FOR OBJECT			$ 172.50
1404	232	7935	06/30/95	PAY PERIOD ENDING 06/23/95			9.01+
1404	232	8254	07/17/95	PAY PERIOD ENDING 07/07/95			4.51+
1404	232	9521721	07/13/95	STATE FUND REFUND			2.60-
				NET TOTAL FOR OBJECT			$ 10.92
1409	232	7935	06/30/95	PAY PERIOD ENDING 06/23/95			11.68+
1409	232	8254	07/17/95	PAY PERIOD ENDING 07/07/95			5.85+
				NET TOTAL FOR OBJECT			$ 17.53
1410	232	7935	06/30/95	PAY PERIOD ENDING 06/23/95			2.08+
1410	232	8254	07/17/95	PAY PERIOD ENDING 07/07/95			1.04+
				NET TOTAL FOR OBJECT			$ 3.12
2174	232	9522271	07/13/95	ISD CHGS FOR 6/95			40.00+

STATE OF MONTANA
RESPONSIBILITY CENTER FINANCIAL REPORT
FOR THE MONTH OF: FISCAL YE, 1995
CENTER 38 - CONTINUING EDUCATION
FISCAL PERIOD: 07-01-94 TO 06-30-95 PERCENT ELAPSED TIME: YTD 100% (PAYROLLS 100%)

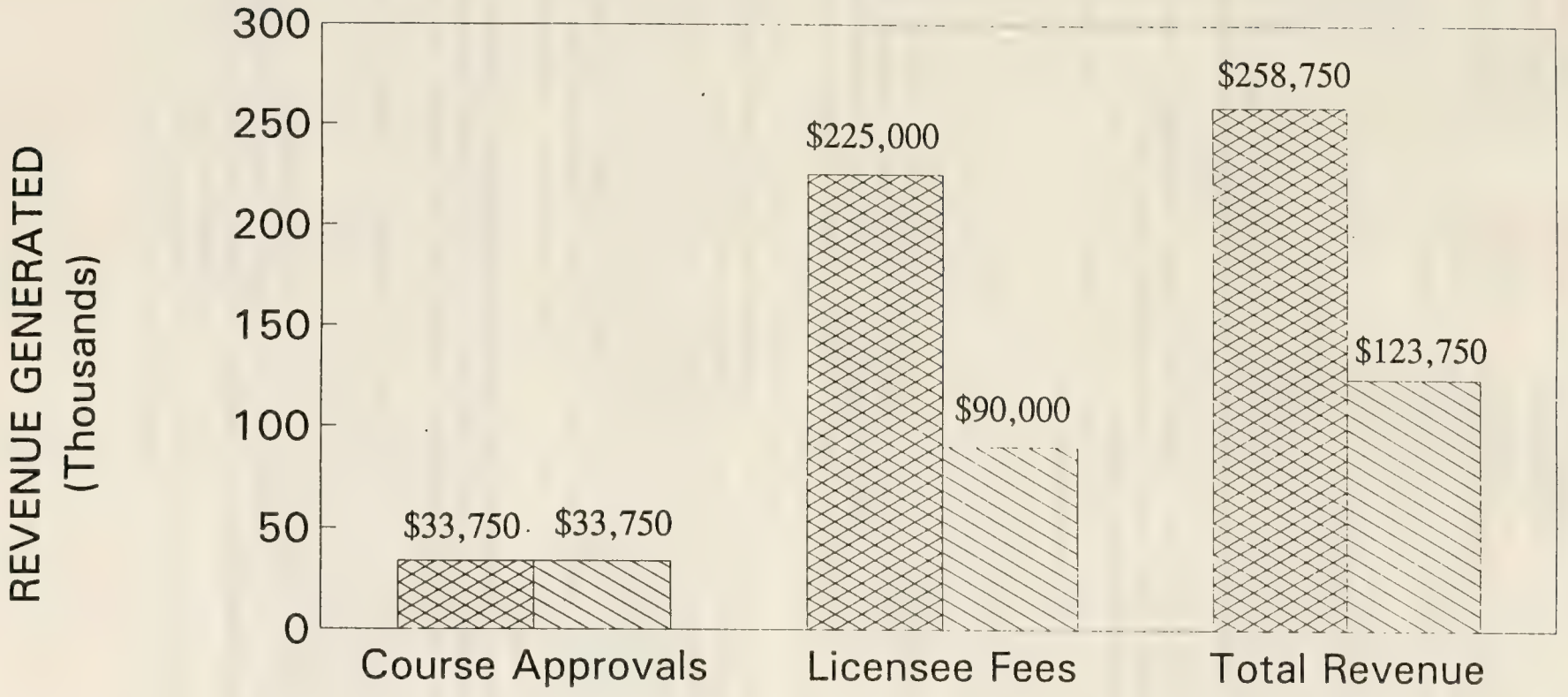
PART C - THIS MONTHS TRANSACTION DETAILS

OBJECT CODE	FORM CODE	DOCUMENT NUMBER	TRANSACT DATE	TRANSACTION REFERENCE	BUDGET	INCOME	EXPENSE
EXPENSES							
				NET TOTAL FOR OBJECT			$ 40.00
2190	232	9522768	07/14/95	PRINTING CHGS FOR 6/95			22.51+
2190	271	195115	07/13/95	CORRECT FORM 232'S			2.26+
				NET TOTAL FOR OBJECT			$ 24.77
2241	271	195114	07/13/95	CORRECT FORM 231'S			3.46+
				NET TOTAL FOR OBJECT			$ 3.46
2370	271	195115	07/13/95	CORRECT FORM 232'S			2.34+
				NET TOTAL FOR OBJECT			$ 2.34
2385	271	195115	07/13/95	CORRECT FORM 232'S			186.27+
				NET TOTAL FOR OBJECT			$ 186.27
3100	213	195016	07/19/95	PROG 3 OPS PLAN AMEND	30,000.00+		
				NET TOTAL FOR OBJECT	$ 30,000.00		
3104	271	195129	07/19/95	CORRECT CODING			7,120.00+
				NET TOTAL FOR OBJECT			$ 7,120.00
				NET TOTAL EXPENSE	$ 20,000.00-		$ 8,985.02

PART E - FUNDING SUMMARY

ACTNG ENT	ACCOUNTING ENTITY NAME	APPROP REV EST	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	ENCUMBERED	BALANCE	% COM
02235	INSURANCE FEE ACCOUNT								
	INCOME	25553	186,000.00	19,520.00	199,338.82			13,338.82-	107%
	EXPENSE	25521	79,782.00	8,985.02	73,080.63			6,701.37	92%

CONTINUING EDUCATION
Fee Comparison



Current Rates:	
Course Approvals	$75
Licensee Fees	$25

Proposed Rates:	
Course Approvals	$75
Licensee Fees	$10

Assumptions:
450 course approvals
9000 licensees

ARROWS(→) indicate sections requiring change prior to January 1, 1996

Sub-Chapter 41

Fee Schedules

6.6.4102 CONTINUING EDUCATION FEES

(1) Licensees:

→(a) Filing annual certification of course completion . . . . . $ 25.00

→(b) Late renewal fee . . . . . $ 50.00

(2) Sponsoring organizations:

(a) Submission of a course or program for review and initial biennial certification . . . . . $ 75.00

(b) A maximum submission fee of $1,500.00 may be charged a sponsoring organization during a biennium for initial review of courses.

(3) Accredited educational institutions are exempt from fee requirements for courses provided for academic credit.

(4) All fees are non-refundable.

Sub-Chapter 42

Continuing Education Program
for Insurance Producers and Consultants

6.6.4201 SCOPE OF RULES (1) These rules apply to continuing education programs for insurance producers and consultants, and include course content, qualifications of instructors, instructional format, courses and materials, review and approval procedures, application forms and fees.

6.6.4202 DEFINITIONS For the purposes of this sub-chapter, the following terms have the following meanings:

(1) "Accredited educational institution" means an institution of higher learning that is certified by its appropriate accrediting agency to meet that agency's prescribed standards.

(2) "Approved continuing education course" means any course, seminar or program of instruction that has been approved by the commissioner for presentation as part of the continuing education requirements for licensees.

(3) "Certificate of completion" means a document issued by the sponsoring organization to the licensee signifying satisfactory completion of a course and reflecting credit hours earned by the licensee.

(4) "Classroom setting" means a course format in which a body of students meet to study the same course materials under the direction of the same approved instructor.

(5) "Correspondence study" means those independent study methods taught outside the classroom setting through approved text(s), audiovisual materials or other method of information exchange.

(6) "Credit hour" means the value assigned to a course by the commissioner, upon review and approval of course materials and content outline.

(7) "Hour" means 60 minutes of time, of which at least 50 minutes must be of continuous instruction.

(8) "Instructor" means an individual who meets the requirements set forth in 6.6.4204, is identified by a sponsoring organization in a course submission, participates in course presentations, activities and discussions, and who may monitor the attendance and conduct of course participants or administer examinations.

(9) "Licensee" means an individual required to be licensed under Title 33, chapter 17, parts 2, 4 or 5, MCA, except for those licensees involved in the selling of credit life and disability insurance incidental to other noninsurance activities.

(10) "Proctor" means a person who monitors the attendance and conduct or the examination process for course participants, but who does not participate in course presentations, activities or discussions or complete any required examinations.

(11) "Selling of credit life and disability insurance incidental to other noninsurance activities" means, for the purposes of determining which licensees must complete continuing education requirements, cumulative annual premiums for a calendar year sold in an amount less than $5000.00.

(12) "Significant change" means a change in two or more of the following course elements:

(a) course goals or objectives;

(b) major course topic(s);

(c) course length;

(d) syllabus or course outline;

(e) teaching method; or

(f) examination method.

(13) "Sponsoring organization" means any group(s) or organization(s) and their agent(s) that submits courses for department review and offers or provides approved courses for continuing education credit to allow licensees to meet the requirements of 33-17-1203, MCA and is responsible for those course offerings.

6.6.4203 COURSE SUBMISSIONS (1) The following standards, by which acceptability of submitted courses should be evaluated, must all be certified by the sponsoring organization:

(a) The practical and academic experience of each faculty member is sufficient to teach the subject assigned.

(b) The course enhances the ability of a producer to provide insurance services to the public effectively.

(c) The subject matter relates to professional ethics, where practicable.

(2) Submissions for approval of courses must include at least the following information:

(a) the name of the sponsoring organization;

(b) the title of the course;

(c) the proposed date(s) of offering;
(d) course goals and objectives;
(e) major course topic(s);
(f) course length;
(g) a list of other states that have approved the course and the credits granted the course in other states;
(h) a syllabus or course outline;
(i) a summary of each course outline element;
(j) method of instruction, such as classroom, correspondence, videotape, audiotape, teleconference, etc;
(k) method of administering examinations, if any;
(l) method of attendance verification;
(m) method of student record maintenance;
(n) instructors;
(o) a designated contact person; and
(p) a written explanation of examination security measures and examination administration methods.

(3) Requests for approval of courses must be filed with the commissioner no less than 60 days prior to the anticipated starting date of the course.

(4) Accredited university or college courses will be allowed 15 continuing education credits for each semester credit and 10 continuing education credits for each quarter credit.

(5) Charges for courses must be clearly disclosed to students before enrollment.

(a) If a course is cancelled for any reason, all charges are refundable in full, unless the refund policy is clearly defined in the enrollment application.

(b) In all instances, the charges must be refunded within 45 days of cancellation.

(c) In the event a course is postponed for any reason, students must be given the choice of attending a course at a later date or having their charges refunded in full. The charges must be refunded within 45 days of postponement unless the sponsoring organization is notified that the student has chosen to attend a course.

(d) A sponsoring organization may have a refund policy addressing a student's cancellation or failure to complete a course, as long as that policy is made clear to potential students.

(6) A sponsoring organization must provide proof of course completion to each course participant who successfully completes the approved course of study within one month of course completion or prior to the end of the calendar year during which the participant completed the course. The sponsoring organization shall be granted up to 2 months to provide such proof of course completion, if the sponsoring organization notifies the course participants in writing, in advance of the course.

(7) Sponsoring organizations who add qualified course instructors after a course is approved must submit the name(s) of those instructors to the commissioner prior to the course offering.

(8) A sponsoring organization may not schedule more than eight hours of class time in one day.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are presented for Advisory Council action.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Terry Payne & Co., Inc.

Transportation Safety Program Development (TSD)

This course addresses management of risks. The course is 40 hours of classroom instruction, including 35 hours of instruction on multi-modal transportation safety issues, designed to provide specific information on accident prevention and risk management. The course is scheduled January 8, 1996.

D. A. Davidson Company (DADCO)

DADCO Annual Conference

This course addresses product knowledge, ethics and management. The course is 12 hours of organizational annual meeting, including 5 hours of classroom instruction, designed to provide specific information on 1995 legislative changes to Montana insurance statutes and four concurrent offerings during two sessions on estate planning fundamentals, retirement planning, investment plan development and fiduciary responsibilities. The course is scheduled November 3, 1995.

Farm Bureau Life Education Services

Introduction to Disability

This course addresses product knowledge of disability insurance. The course is 2 hours of classroom instruction, including 1 hour of agent training, designed to provide basic information on disability insurance products, coverages and exclusions. The course was scheduled August 9, 1995.

The American College

Family Business Succession Planning I

This course addresses product knowledge and marketing of family business succession plans. The course is 18 hours of classroom instruction designed to provide in-depth information on succession planning, alternative forms of business, buy-sell agreements, tax consequences and funding of business succession. The course is scheduled November 17, 1995.

American Institute for CPCU/Insurance Institute of America

The following course is part of the CPCU certification program. It is offered through self-study and includes a national essay examination.

IR 201-Insurance Regulations

Transamerica Occidental Life Insurance Company

Variable Universal Life Training Seminar

This course addresses product knowledge of variable universal life insurance. The course is 1 hours of classroom instruction designed to provide basic information on life insurance products, universal verses variable life insurance and illustrations of each product. The course is not scheduled pending approval.

Principal Mutual-Individual

Century III

This course addresses product knowledge of life insurance. The course is 4 hours of self-study correspondence instruction, including 2 hours of agent training, designed to provide general knowledge on whole life insurance, additional insurance benefit, supplemental paid-up insurance and a mix of three Principal Mutual products that make up the Century III package. This is an on-going offering.

Business Market Concepts

This course addresses marketing capability in the insurance market. The course is 6 hours of self-study correspondence instruction designed to provide specific information on group carve-out, buy-sell agreements, executive bonus plans and types of business organizations. This is an on-going offering.

College Education Funding

This course addresses product knowledge and marketing capability of life insurance. The course is 9 hours of self-study correspondence instruction, including 4 hours of agent training, designed to provide specific information on need assessment, financial analysis, determining insurance products best suited to providing funds for college and focusing on the products available through Principal Mutual. This is an on-going offering.

Single Premium Immediate Annuity

This course addresses product knowledge of annuities. The course is 3 hours of self-study correspondence instruction, including 1½ hours of agent training, designed to provide general information on annuities and specific information on the Principal Mutual Life Single Premium Deferred Annuity policy. This is an on-going offering.

Flexible Premium Deferred Annuity

This course addresses product knowledge of annuities. The course is 4 hours of self-study correspondence instruction, including 2½ hours of agent training, designed to provide general information on annuities and specific information on the Principal Mutual Life Qualified and Non-qualified Flexible Premium Deferred Annuity policy. This is an on-going offering.

First To Die

This course addresses product knowledge of first-to-die life insurance. The course is 2 hours of self-study correspondence instruction, including 1 hour of agent training, designed to provide general information on first-to-die life insurance, needs assessment and appropriate policy applications and specific information on the Principal Mutual Life First-to-Die policy. This is an on-going offering.

Long Term Care

This course addresses product knowledge of long term care insurance. The course is 5 hours of self-study correspondence instruction, including 1 hour of agent training, designed to provide in-depth information on long term care insurance benefits, coverages, Medigap policies, Medicaid coverage, exclusions and limitations and marketing Principal Mutual Life long term care policies.

Health Concepts

This course addresses product knowledge of health insurance. The course is 13 hours of self-study correspondence instruction designed to provide specific information on health, medical expense and disability income insurance policies, common and uniform policy provisions, group insurance and special types of health policies. This is an on-going offering.

Adjustable Disability Income

This course addresses product knowledge and marketing capability of disability income insurance. The course is 5 hours of self-study correspondence instruction, including 3 hours of agent training, designed to provide basic information on disability insurance, policy premiums, benefit period and renewability and specific information on Principal Mutual Life policies HH641/644, HH643 and policy underwriting. This is an on-going offering.

Overhead Expense and Disability Buy-out

This course addresses product knowledge and marketing capability of disability insurance. The course is 4 hours of self-study correspondence instruction, including 3 hours of agent training, designed to provide general information on disability policies, benefits, elimination period and disability buy-sell agreements and specific information on Principal Mutual Insurance Overhead Expense and Disability Buy-out policies. This is an on-going offering.

Adjustable Life

This course addresses product knowledge of life insurance. The course is 6 hours of self-study correspondence instruction, including ½ hour of agent training, designed to provide in-depth information on adjustable life insurance policy coverages, dividends, riders and adjustments. This is an on-going offering.

Single Premium Deferred Annuity

This course addresses product knowledge of annuities. The course is 3 hours of self-study correspondence instruction, including 1½ hours of agent training, designed to provide general information on annuities and specific information on the Principal Mutual Life Single Premium Deferred Annuity policy. This is an on-going offering.

Universal Life

This course addresses product knowledge of universal life insurance. The course is 3 hours of self-study correspondence, including 1 hour of agent training, designed to provide general information on definitions, features, death benefits, riders and administration of universal life insurance policies and specific information on Principal Mutual Life universal life policies. This is an on-going offering.

Social Insurance Programs

This course addresses product knowledge of Social Security, Medicare and Medicaid, Workers Compensation and Disability Benefit programs. The course is 5 hours of self-study correspondence designed to provide general information regarding federal and state programs. This is an on-going offering.

Life Concepts

This course addresses product knowledge of life insurance. The course is 15 hours of self-study correspondence designed to provide in-depth information regarding term, whole and variable contracts, riders, dividends,underwriting, claims, the application and group life insurance. This is an on-going offering.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are presented for Advisory Council action.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Colonial Life & Accident Insurance Company

Annuities Class

This course addresses product knowledge of annuities. The course is 4 hours of classroom instruction, including ½ hour of agent training, designed to provide specific information on basic annuity components and how they work and the Colonial annuity product portfolio. The course is scheduled November 15, 1995.

Annuities Basics

This course addresses product knowledge of annuities. The course is 5 hours of self-study correspondence instruction designed to provide specific information on basic annuity components and how they work. No offerings are scheduled pending approval.

Pictorial, Inc.

Long-Term Care, revised

This course addresses product knowledge and marketing capability of long-term care products. The course is 12 hours of self-study correspondence text with a monitored examination. The course is designed to provide general knowledge on long-term care products, Medicare, medigap policies, taxation of long-term care policies and sales of these products. This is an on-going offering. This course replaces 5-2000-009.

Legal Concepts & Doctrines, 2nd Edition

This course addresses product knowledge and ethics applicable to insurance claims. The course is 8 hours of self-study text including a 1½ hour monitored examination. This course is designed to provide general knowledge about the legal context for insurance claims. It includes an overview of the U.S. court system, the divisions of law, the concept of responsibility for others, contract law and insurance claims in the courts. This is an on-going offering. This course replaces 5-2000-043.

1991 Homeowners Coverage, revised

This course addresses product knowledge and management of various homeowners insurance products. The course is 17 hours of self-study correspondence text, including a 2 hour monitored examination. The course is designed to provide specific knowledge on each of the Homeowners policy forms and their application; the identification of appropriate forms and limits for different insureds; and the location and meaning of policy provisions. This is an on-going offering. This course replaces 5-2000-048.

New York Life - Montana

Montana Insurance Law and Statutes

This course was summarized in the course review summaries of March 29, 1994. The offering is scheduled November 15, 1995.

National Association of Independent Life Brokerage Agencies (NAILBA)

Genetic Testing

This course addresses product knowledge of life insurance underwriting. The course is 1 hour of classroom instruction, designed to provide basic information on law changes affecting underwriting and the reliability of genetic tests as a predictor of health problems. The course is scheduled November 16, 1995.

Life Insurance Questionnaire

This course addresses product knowledge of life insurance illustrations. The course is 1 hour of classroom instruction designed to provide information on policy illustration, errors in information and potential flaws in life insurance illustrations. The course is scheduled November 17, 1995.

Family Limited Partnerships

This course addresses product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide specific information the use of family limited partnerships for estate planning and asset protection. The course is scheduled November 16, 1995.

The Prostate and Cancer Withdrawn from consideration additional material requested by council

This course addresses product knowledge of life insurance underwriting. The course is 1 hour of classroom instruction, designed to provide basic information on specific health risks, interpreting lab tests in risk analysis and the reliability of tests as a predictor of health problems. The course is scheduled November 16, 1995.

Sackett & Associates, Inc.

Update '95

This course addresses product knowledge, ethics and marketing capability. The course is 16 hours of classroom instruction on the following topics: ethical practices, policy replacement, post-issue underwriting, personal finances, medical expense coverage, disability income, personal pension planning and group coverages. The course is scheduled November 1995.

State Farm Insurance

Enhanced Insurance to Value System

This course addresses product knowledge of property insurance underwriting. The course is 2 hours of classroom instruction, including ½ of instruction on the Replacement Cost Calculator VI, designed to provide specific information on value estimation for non-standard housing. No offerings are scheduled pending approval.

American Mutual Life Insurance Company

Advanced BASE

This course addresses product knowledge of non-qualified retirement plans. The course is 1 hour of classroom instruction designed to provide specific information on non-qualified benefit programs, rabbi trusts, creditor exempt plans and plan funding through annuities and life insurance. The course is scheduled October 20, 1995.

Split Dollar Plans

This course addresses product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide specific information on split dollar plans, buy-sell, executive benefit and estate planning. The course is scheduled October 20, 1995.

Tax Issues

This course addresses product knowledge of taxation of life insurance proceeds. The course is 1 hour of classroom instruction designed to provide specific information on how and when life insurance gain is taxed. The course is scheduled October 21, 1995.

My Crime My Time

This course addresses ethics. The course is 2 hours of classroom instruction on ethical behavior by insurance licensees and the gray areas into which they should not cross. The course is scheduled October 21, 1995.

Section 1035/Taxation of Annuities

This course addresses product knowledge and marketing capability of annuities. The course is 2 hours of classroom instruction, including 1 hour of agent training, designed to provide general information on annuities and the tax codes which apply to annuities. The course is scheduled October 21, 1995.

Settlement Options

This course addresses product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide general information on payout of life insurance policy proceeds. The course is scheduled October 20, 1995.

Retirement Planning

This course addresses product knowledge of life insurance and variable annuities. The course is 1 hour of classroom instruction designed to provide basic information on including insurance and annuity products in retirement plans. The course is scheduled October 21, 1995.

Reverse Split Dollar and Irrevocable Life Insurance Trusts

This course addresses product knowledge of life insurance. The course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide basic information on funding reverse split dollar and irrevocable life insurance trusts and the tax consequences of each. The course is scheduled October 19, 1995.

Estate Planning Checklist

This course addresses product knowledge of life insurance and variable annuities. The course is 2 hours of classroom instruction designed to provide general information on generation skipping tax, charitable giving and irrevocable insurance trusts. The course is scheduled October 21, 1995.

Group Insurance

This course addresses product knowledge of group life and disability insurance. The course is 1 hour of classroom instruction designed to provide basic information on group plan design and components. The course is scheduled October 21, 1995.

Northwestern Mutual Life Insurance Company

Advanced Planning Seminar

This course addresses product knowledge and marketing capability of retirement plans. The course is 12 hours of classroom instruction designed to provide in-depth information on buy-sell plans, transfer tax, life insurance for partnerships and S corporations, qualified plans, deferred compensation, split dollar plans and life insurance planning. The course is scheduled November 13, 1995.

Mass Mutual Life Ins. Co.

De-Mystifying Split-Dollar Plans

This course addresses product knowledge of life insurance. The course is 2 hour of classroom instruction designed to provide specific information on split dollar plans, buy-sell, executive benefit and estate planning. The course is scheduled January 29, 1996.

Non-Qualified Deferred Compensation Plans

This course addresses product knowledge of life insurance. The course is 2 hours of classroom instruction designed to provide general information on qualified and non-qualified deferred compensation plans, and life insurance applications toward those plans. The course is scheduled January 15, 1996.

Focused on Buy/Sell Agreements

This course addresses product knowledge and marketing capability of buy-sell agreements. The course is 2 hours of classroom instruction designed to provide basic information about buy-sell agreements and the tax consequences. The course is scheduled January 22, 1996.

Great West Casualty Company

Great West Casualty Company's Underwriting Educational Seminar

This course addresses product knowledge of casualty insurance. The course is 12 hours of classroom seminar instruction, including 4 hours of agent training, designed to provide specific information on various motor carrier insurance issues, including: property and casualty forms, workers compensation insurance, carrier underwriting and marketing of Great Western products.

Montana Insurance Education Foundation, Inc.

Blue Cross Blue Shield Seminar

This course addresses product knowledge of life insurance and workers' compensation. The course is 8 hours of classroom instruction designed to provide specific information on business and personal life insurance, flexible benefit planning and workers' compensation insurance. The course is scheduled December 7, 1995.

1995 Montana Law and Administrative Rule Changes

This course addresses 1995 legislative changes to Montana insurance statutes. The course is 2 hours of classroom instruction designed to provide specific information on changes to Montana insurance statutes. No offerings are scheduled pending approval.

The Life Underwriter Training Council

The following courses are part of the Life Underwriter Training Council certification program.

Piecing Together the Ethical Puzzle Seminar
Retirement & Estate Planning for the Agent
Stepping Up to Variable Products

American Society of CLU & ChFC

The following course is part of the CLU and ChFC certification program.

1996 Arizona Institute

Aid Association for Lutherans

CBT Quaality Life

This course addresses product knowledge of life insurance. The course is 6 hours, including 4 hours of agent training, of computer-based self-instruction designed to provide general information regarding life insurance benefits, features, exclusions and applications with an emphasis on the Aid Association for Lutherans Quaality Life policy and Vanishing Premiums option. This is an on-going offering.

Prosource Educational Services

Insurance Producer: Independent Study

This course addresses ethics. The course is 4 hours of self-study correspondence instruction, designed to provide general information regarding unfair trade practices, the responsibilities of the licensee to the client, insurer and insurance industry, federal and state regulation, business conduct and enforcement. This is an on-going offering.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

September 14, 1995
Sam W. Mitchell Building -- Room 270
Telephone Conference

Call to order	3:00
Presentation of course summaries	3:05
Public Comment	3:15
Discussion of course summaries	3:30
Council direction to staff	3:35
Administrative Details - Next Meetings	3:45

October 26, 1995
Telephone Conference - 3:00 pm

November 16, 1995
Telephone Conference - 3:00 pm

Adjourn	3:45

September 12, 1995

Insurance Continuing Education Advisory Council

Conference Call Minutes

September 14, 1995

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, Room 270, at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Ed Eck, Public Member
Bill Bolt, Professional Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

Presentation of Course Summaries

Arnold went over the Course Review Summary and Addendum marked as Exhibit 1 and 2 respectively. The Manulife Financial course, *The Art of Product and Company Selection* was withdrawn by staff. The course was not submitted the required 60 days prior to the first offering.

Public Comment

There was none.

Discussion of Course Summaries

Bolt made a motion to accept the courses. Bebee seconded the motion and it carried unanimously.

Council Direction to Staff

Bolt asked if the council could approve courses and hours at the same time. Arnold replied that suggested hours are given to the commissioner and he makes the final decision, as required by law.

Bebee asked how the administrative rule revision process was progressing. Arnold replied that nothing will be done until the revised law is in force.

Bebee asked about the budget. Nelson replied that he hadn't gotten the 1995 fiscal year close-out figures.

Leenknecht asked about sponsoring organizations advertising courses for more hours than a course was assigned. Arnold said that this has only happened once and the provider was fined. The commissioner issued credits to those attending the course. The licensees affected by this misrepresentation have been given an extension to complete their requirements.

Administrative Details - Next Meeting

The next meetings will be teleconferences on October 26, 1995, at 3:00 p.m., and November 16, 1995, at 3:00 p.m.

Bebee made a motion to adjourn. Leenknecht seconded the motion and it carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

September 14, 1995
Sam W. Mitchell Building -- Room 270
Telephone Conference

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October 26, 1995
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November 16, 1995
Telephone Conference - 3:00 pm

Adjourn	3:45

September 12, 1995

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - September 14, 1995

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Ron Rahlmann	State Farm	445-2679

Please print

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are presented for Advisory Council action.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Independent Insurance Agents of America (IIAA)

Additional Named Insureds

This course addresses product knowledge of policy endorsements. The course is 3 hours of classroom instruction designed to provide specific information on coverages, differences between insured, additional insured and named insured, limitations enforceability for commercial general liability owners contractors protective and business auto policies. The course is scheduled September 20, 1995.

Self Insured Workers' Compensation Funds

This course addresses product knowledge of self-insurance. The course is 3 hours of classroom instruction designed to provide general information on workers' compensation, acceptable security, coverage, benefits, revocation of certification, departmental review, advantages and disadvantages. The course is scheduled September 19, 1995.

KMS Financial Services, Inc.

Ethical Challenges of the Professional Planner

This course addresses ethics. The course is 2 hours of classroom instruction designed to provide specific information by Certified Financial Planners in the representation and recommendation of insurance and financial products to clients. The course is scheduled October 13, 1995.

Pentera Group, Inc.

Variable Universal Life

This course addresses ethics and product knowledge of variable universal life insurance. The course is 15 hours of self-study correspondence designed to provide basic information on variable universal life insurance, options, adjustable and variable death benefits, variable and universal life, premium payments, ethical presentation. This is an on-going offering.

Mid-State School of Insurance

Taxation/Gift & Federal Estate Tax

This course addresses product knowledge of estate planning. The course is 8 hours of classroom instruction, including 7 hours of instruction on wills, intestacy, trusts, and estate administration, designed to provide basic information on life insurance trusts and insurance as part of an estate. The first offering is scheduled November 6, 1995.

Introduction to Estate Planning

This course addresses product knowledge of estate liquidity insurance. The course is 2 hours of classroom instruction, including 1 hour of instruction on federal gift taxation, designed to provide basic information on life insurance liquidity, beneficiary designation and policy ownership. The first offering is scheduled November 7, 1995.

The Life Underwriter Training Council

The following course is part of the Life Underwriter Training Council certification program conducted through self-study correspondence.

Understanding Forms of Business

Health Insurance Association of America (HIAA)

Managed Care Part A

This course addresses product knowledge of managed care insurance policies. The course is 40 hours of self-study text with a monitored examination, designed to provided specific information on managed care insurance coverages and why managed coverage is necessary, managed care services and costs, government programs, product coverages and other methods of managed care protection. This course is offered twice each year with examinations in May and November.

P.L.U.S. (Professional Liability Underwriting Society)

1995 International Conference

This course addresses product knowledge of professional liability underwriting. The course is 7½ hours of classroom instruction in 12 sessions in 6 concurrent session blocks of 1¼ hours each. The course is designed to provide specific information on corporate and non-profit director's and officer's liability, errors and omissions insurance, public officials and educators legal liability coverage and law and accounting firm liability claim problems. The course is scheduled November 16, 1995.

TMG Life Insurance Company

1995 Fall Forum

This course addresses product knowledge of life insurance. The course is 4 hours of classroom instruction designed to provide general information on illustrations, underwriting, estate planning for the small business owner and life insurance in family limited partnerships. The first offering is scheduled November 6, 1995.

Chubb Life America

Fringe Benefit Plans for Executive Module

This course addresses of life insurance products. The course is 1 hour of classroom instruction designed to provide general information on qualified and non-qualified plans, executive bonus plans and split dollar funding and rollout. No offerings are scheduled pending approval.

International Foundation of Employee Benefit Plans

1995 (41st) Annual Employee Benefits Conference

This course addresses product knowledge of employee benefit plans. The course is 13¾ hours of classroom instruction in 22 sessions in 11 concurrent session blocks of 1¼ hours each. The course is designed to provide specific information on health care fraud, workers' compensation, dental plans, defined contribution plans and managed prescription drug programs. The course is scheduled November 13, 1995.

Manulife Financial withdrawn

The Art of Product and Company Selection

This course addresses product knowledge and marketing capability of life insurance. The course is 3 hours of classroom instruction, including 1 hour of agent training, designed to provide general information on life insurance, universal life, variable products and term insurance for business clients. The course is scheduled September 20, 1995.

Darvis Accounting P.C.

Principles of Educational Financial Planning

This course addresses product knowledge of life insurance. The course is 8 hours of classroom instruction designed to provide basic information on using life insurance products to fund a college education. The course includes in-depth information about college financial aid programs. No offerings are scheduled pending approval.

American Mutual Life Insurance Company

Intro To BASE

This course addresses product knowledge of insurance planning. The course is 2 hours of classroom instruction designed to provide basic information on a Benefit Analysis, Survey and Evaluation method to produce a comprehensive financial and insurance plan. The course is scheduled October 20, 1995.

Compliance and Market Conduct Issues

This course addresses ethics and management. The course is 1 hour of classroom instruction designed to provide basic information on the NAIC model regulation on illustrations and ethical practices in market conduct. The course is scheduled October 20, 1995.

Farm Bureau Life Education Services

Life School I

This course addresses product knowledge of life insurance. The course is 44 hours of classroom instruction, including 25 hours of agent training, designed to provide specific information on life insurance policies, contract content, exclusions, retirement plans and disability income insurance. No offerings are scheduled pending course approval.

Continental General Insurance Company

Principles & Marketing of Annuities (Rough Notes)

This course addresses product knowledge of annuities and marketing capability. The course is 2 hours of self-study correspondence designed to provide basic information on types of annuities, contract parts, features of fixed and variable annuities and annuity markets. This is an on-going offering.

The Life Underwriter Training Council

TOT (Top of the Table) 1995

This course addresses product knowledge of life and disability insurance. The course is 8 hours of classroom instruction in 9 sessions in 4 concurrent session blocks of 1 hour each and 3 consecutive 1 hour sessions. The course is designed to provide general information on life insurance in estate planning, defined benefit plans, variable versus par, executive long term disability and executive benefits. The course is scheduled October 12, 1995.

Pictorial, Inc.

Agent Conduct & Ethics Guide for Montana

This course addresses ethics. The course is 4½ hours of self-study correspondence designed to provide general information on Montana insurance laws and ethical practices in the insurance industry. This is an on-going offering.

Montana Land Title Association

Land Title Institute - Course 2

This course addresses product knowledge of title insurance. The course is 15 hours of self-study correspondence designed to provide in-depth information on working with public records, abstracting, land descriptions, subdivision, title insurance underwriting and title commitments. This is an on-going offering.

The American College

The following course is part of the Registered Health Underwriter certification program. The American College is replacing the National Association of Health Underwriters in sponsoring these designation courses.

HS 312 Group Health Insurance

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are presented for Advisory Council action.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Montana State Auditor

Insurance Fraud Symposium

This course addresses ethics. The course is 6 hours of classroom instruction designed to provide specific information on the new Montana Insurance Fraud Program, law and related programs. The course is scheduled October 6, 1995.

Montana Association of Life Underwriters

1995 Session Changes in Montana Insurance Statutes and Administrative Rules

This course addresses product knowledge and ethics. The course is 2 hours of classroom instruction designed to provide specific information on changes in Montana insurance statutes by the 1995 legislature and resulting changes in Montana insurance administrative rules. The first offering is scheduled October 10, 1995.

Deborah R. Berney Management and Education Services

Ethical Decision Making

This course addresses ethics. The course is 3 hours of classroom instruction designed to provide information on ethical considerations for insurance providers to the credit life and disability industry. The course is scheduled October 10, 1995.

Credit Life and Disability Coverage and Law Review

This course addresses product knowledge of credit life and disability insurance. The course is 1 hour of classroom instruction designed to provide basic information on credit life and disability insurance and the laws relating to credit life and disability insurance. The course is scheduled October 3, 1995.

1995 Montana Insurance Statutes Update

This course addresses product knowledge and ethics. The course is 1 hour of classroom instruction designed to provide basic information on the following bills from the 1995 legislature: HB 387 (premium discounts), HB 488 (prohibiting insurer policy action based on the credit history of the insured), SB 216 (changes to the insurance continuing education act) and SB 253 (insurance fraud protection). The course is scheduled October 3, 1995.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

August 17, 1995
Sam W. Mitchell Building -- Room 270
Telephone Conference

Call to order	3:00
Presentation of course summaries	3:05
Public Comment	3:15
Discussion of course summaries	3:30
Council direction to staff	3:35
Administrative Details - Next Meetings	3:45

September 14, 1995
Telephone Conference - 3:00 pm

Adjourn	3:45

August 16, 1995

Insurance Continuing Education Advisory Council

Conference Call Minutes

August 17, 1995

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, Room 270, at 3:10 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Ed Eck, Public Member
Bill Bolt, Professional Insurance Agents of Montana Member
Ted Clark, Public Member
John Bebee, Unaffiliated Insurance Agent Member

Staff Present

Mary Arnold, Continuing Education Program
Frank Coté, Deputy Insurance Commissioner
Nita Holman, Recording Secretary

A list of others present is attached as Exhibit 1.

Presentation of Course Summaries

Arnold presented the Course Review Summaries and Addendum 1 marked as Exhibits 2 and 3 respectively. There was discussion

about the Servpro Industries, Inc. course, *Advanced Restoration Training Program*.

Public Comment

Ron Ashabraner described the recent restructuring of the State Farm agency and claims force and how agents will have more responsibility in dealing with claims.

Discussion of Course Summaries

Clark made a motion to request additional information about the Servpro Industries, Inc. course, *Advanced Restoration Training Program* and withdraw the course from consideration for approval at this meeting. Bolt seconded the motion and it carried unanimously.

Leenknecht made a motion to approve all the courses, except Servpro Industries, Inc. course, *Advanced Restoration Training Program*. Boon seconded the motion and it carried unanimously.

Council Direction to Staff

Arnold thanked Clark for his service on the council.

Administrative Details - Next Meeting

The next meeting will be a teleconference on September 14, 1995, at 3:00 p.m.

Bebee made a motion to adjourn. Clark seconded the motion and it carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

August 17, 1995
Sam W. Mitchell Building -- Room 270
Telephone Conference

Call to order	3:00
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September 14, 1995
Telephone Conference - 3:00 pm

Adjourn	3:45

August 16, 1995

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - August 17, 1995

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
R. Schabinger 2601 Broadway	State Farm Ins.	945-0694

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COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

American Express Financial Advisors

Client Service Model Training

This course addresses product knowledge of client service. The course is 5 hours of classroom instruction designed to provide general information on client service, needs, service review meetings, client expectations, the advisor role and preparing for client reviews. No offerings are scheduled pending approval.

PDP: Life Insurance Product Essentials

This course addresses product knowledge of life insurance. The course is 6½ hours of self-study correspondence designed to provide basic information on life insurance products, premiums and premium components, applicability to a client and using a financial analysis. This is an on-going offering.

Colonial Life & Accident Insurance Company

National Management Conference '95

This course addresses marketing, management and product knowledge. The course is 33 hours of classroom instruction, 13½ hours of which are being submitted for insurance continuing education credit, including 7½ hours of computer training, time management, motivation, mice, time management and prospecting, designed to provide general information on new accounts, sales specialization, marketing and sales technologies. The course is scheduled September 20, 1995 in Orlando, Florida.

Weekly Disability Income (WDI)

This course addresses product knowledge of disability income insurance. The course is 2 hours of self-study correspondence, including ½ hour of agent training, designed to provide basic information on payment of proceeds, elimination period, limitations, premiums, conversion, benefits, sales concepts underwriting and effective and termination dates on a Colonial weekly disability income policy. This is an on-going offering.

CPCU (Chartered Property Casualty Underwriters) Society

The following courses are part of the CPCU Society annual meeting. All of the seminars are 2 hours of classroom instruction.

Keynote Address: Lloyd's of London Breaking Barriers
President's Panel: CEOs Speak Out
Cat(astrophe) Plan Clinic
Information Technology
Emerging Liability Issues
Managing Certificates & Additional Insured Endorsements
Professional Liability
Dealing with Explosive Workplace Exposures
24 Hour Coverage
Time Element
Pollution Liability on Trial
International Coverage for Small and Medium-Sized Businesses
Building Ordinance
Give me $1,000 and Get $20,000 back!

NAPSLO (National Association of Professional Surplus Lines Offices, Ltd.)

Global Capital Markets - Will the Insurance Industry be an Attractive Investment in the Next Millennium?

This course addresses product knowledge of insurance investments. the course is 1 hour of classroom instruction designed to provide basic information on risk taking, surplus lines, return on investment, reinsurance, markets and investors. The course is scheduled September 13, 1995.

Can Fraud be Prevented in the Global Insurance Market?
A Challenge Today and in the Next Millennium

This course addresses product knowledge of insurance fraud. The course is 1 hour of classroom instruction designed to provide basic information on historic occurrences, geographic origin and groups or individuals who perpetrate fraud, liability risks and common elements of fraud. The course is scheduled September 16, 1995.

The Life Underwriter Training Council

The following courses are part of the LUTC certification program. The courses are offered during 13 weeks of classroom instruction with a national examination.

Exploring Personal Markets
Business Continuity Course

American Society of CLU & ChFC

The following courses are part of the American Society of CLU & ChFC annual meeting. Each 10 hour "track" is composed of five or six, 1 or 2 hour sessions. Students must attend a track in its entirety to receive insurance continuing education credit.

1995 National Conference Track I Estate Planning
1995 National Conference Track II Financial Counseling
1995 National Conference Track III Employee Benefits & Business Insurance
1995 National Conference Track IV Multiline
1995 November Video Teleconference "Multi-generational Planning"

Transamerica Occidental Life Insurance

Executive Bonus Plans

This course addresses product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide basic information on an executive bonus plan funded with permanent life insurance. No offerings are scheduled pending approval.

Society of Certified Insurance Counselors

The following course is part of the CIC certification program. The course is offered through classroom instruction.

James K. Ruble Seminar-Funding the Large Commercial Account

Principal Mutual-Individual

Advanced Estate Planning Premier Product Workshop

This course addresses product knowledge and marketing of estate plans. The course is 17 hours of classroom instruction designed to provide specific information on limited liability companies, trusts, generation skipping transfer tax provisions, estate planning documents, business valuation, qualified plan beneficiaries, illustrations and transfer techniques. The course is scheduled October 2, 1995.

Advanced Business Planning Premier Producer Workshop

This course addresses product knowledge and marketing of business insurance. The course is 15 hours of classroom instruction designed to provide specific information on the business insurance market, market segments, qualified retirement plans, executive bonus plans, non-qualified plans, group carve-out, disability insurance, succession planning and key person planning. The course is scheduled October 16, 1995.

IIAA (Independent Insurance Agents of America)

The 401(k) and Your Clients

This course addresses product knowledge of 401(k) plans. The course is 3 hours of classroom instruction designed to provide general information on retirement plans, qualification requirements, plan design, contributions, distributions, limits and vesting. the course is scheduled September 19, 1995.

Construction Contracts

This course addresses product knowledge of construction insurance. The course is 2 hours of classroom instruction designed to provide specific information on contract provisions, supplementary provisions, contractual liability, endorsements, exclusions, builders risk, indemnification provisions, subcontractor liability and warranty and guarantee provisions. The course is scheduled September 9, 1995.

Coverage Gaps

This course addresses product knowledge of property casualty insurance. The course is 3 hours of classroom instruction designed to provide specific information on fire forms, perils, risks, endorsements, commercial and homeowner personal property policies, real property, business interruption coverage and public adjusting. The course is scheduled September 21, 1995.

Insurance Coverage Trends in the 90's

This course addresses product knowledge of insurance. The course is 3 hours of classroom instruction designed to provide general information on excess and surplus lines, alternate risk financing, pollution, claims handling and auditing, employment practices liability, exposures and coverages. The course is scheduled September 21, 1995.

Sales Management-The Key to Customer Service

This course addresses marketing and marketing capability of insurance. The course is 3 hours of classroom instruction designed to provide general information on agency strengths and weaknesses, monitoring sales, business plans and goals. The course is scheduled September 19, 1995.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

IIAA (Independent Insurance Agents of America)

Forcing Vertical Growth-Meeting Your Customer's Needs

This course addresses management of insurance agency activities. The course is 3 hours of classroom instruction designed to provide specific information on increasing commercial and personal lines activity by managing sales. The course is scheduled September 19, 1995.

Creating a Small Commercial Lines Profit Center

This course addresses management an marketing capability of small commercial lines insurance. The course is 3 hours of classroom instruction designed to provide in-depth information on elements of small commercial lines promotion which can be used to increase sales. The course is scheduled September 20, 1995.

Determining Your Agency's Value

This course addresses management of an insurance agency. The course is 2 hours of classroom instruction designed to provide in-depth information on agency valuation, including: statements of earning, revenues versus expenses, revenue history and projection, cash flow, risk and tangible net worth. The course is scheduled September 20, 1995.

The Merritt Company

Time Element Coverages

This course addresses product knowledge of commercial and business income policies and other coverage affected by time. The course is 15 hours of self-study correspondence designed to provide specific information on time elements which affect commercial policies, commercial property coverages, business income and extra expense coverages, leasehold interest and loss form. This is an on-going offering.

Commercial Crime Coverage

This course addresses product knowledge of commercial policies and crime coverage. The course is 15 hours of self-study correspondence designed to provide in-depth information on commercial lines policies and commercial crime coverages and forms including: general provisions, fidelity bonds, employee dishonesty, forgery, theft, robbery, premises burglary, computer fraud, extortion, guest property and safe depository. This is an on-going offering.

Primerica Life Insurance Company

Annuities and Qualified Plans

This course addresses product knowledge of annuities and qualified plans. The course is 8 hours of video teleconference designed to provide specific information on annuities, types, purchase, taxation, fixed and variable annuities, regulation, Securities Exchange Commission and National Association of Securities Dealers requirements, suitability and types of qualified plans. The course is scheduled October 22, 1995.

Ethics and Insurance Regulation

This course addresses ethics. The course is 8 hours of video teleconference designed to provide in-depth information on ethics and ethical behavior in the insurance industry and by insurance licensees, including ethical considerations with regard to senior citizens, the insurer and the insured. The course is scheduled October 21, 1995.

The Council Of Insurance Agents & Brokers

Alternative Markets: Captives, Self Insurance & Other Options

This course addresses product knowledge of commercial insurance. The course is 4 hours of classroom instruction designed to provide general information on alternative markets, funding mechanisms, participants, regulation and market opportunities. The course is scheduled October 6, 1995.

Underwriting Wind Perils

This course addresses product knowledge of property insurance. The course is 4 hours of classroom instruction designed to provide specific information on wind perils, property threats, loss control and coverages. The course is scheduled October 6, 1995.

New York Life Insurance Company - National

National Study Group Part I

This course addresses product knowledge and marketing capability of life insurance. The course is 4½ hours of classroom instruction designed to provide specific information on severance trusts, tax qualified plans and charitable remainder trusts. The course is scheduled September 29, 1995.

National Study Group Part II

This course addresses product knowledge of life insurance. The course is 4½ hours of classroom instruction designed to provide specific information on supplemental employee retirement and estate and business planning concepts. The course is scheduled September 30, 1995.

National Structured Settlements Trade Assn.

NSSTA Professional Certification Program

This course addresses product knowledge of annuities. The course is 18 hours of classroom instruction with 40 hours of pre-class activities and a formal 3 hour examination, designed to provide specific information on providing funding for claims in tort litigation arising from physical injury, including: claims practice, tax law, litigation, income analysis, claim settlement and business ethics. The course is scheduled October 12, 1995.

Servpro Industries, Inc Request additional information per council motion

Advanced Restoration Training Program

This course addresses product knowledge of property damage restoration. The course is 16 hours of classroom instruction, including 14 hours of cleaning application and theory, designed to provide basic information to insurance adjusters on restoration versus replacement. The course is scheduled October 23, 1995.

Professional Insurance Agents of Montana

Certified Professional Insurance Agent - Module One - Client Quest

This course addresses management of insurance agencies. The course is 7 hours of classroom instruction, including 5 hours of prospecting, designed to specific information on identifying sales targets. The course is scheduled September 28, 1995.

Wood Logan Associates, Inc.

Advanced Annuity Concepts

This course addresses product knowledge of annuities. The course is 6 hours of classroom instruction designed to provide general information on advanced annuity concepts, variable life insurance, asset allocation, 401(k) plans, funding trusts and client concerns. The course is scheduled October 7, 1995.

International Risk Management Institute, Inc.

Risk Financing

This course addresses product knowledge of risk financing. the course is 7 hours of classroom instruction designed to provide general information on risk costs and financing, risk retention and purchase groups, bond cost reduction and casualty risk financing. The course is scheduled October 23, 1995.

Fifteenth Annual Construction Insurance Conference

This course addresses product knowledge of construction insurance. The course is 18 hours of classroom instruction designed to provide general information on insuring, bonding and managing the risks of construction companies. The course is scheduled October 24, 1995

Controlling Insurance Costs

This course addresses management of insurance costs. The course is 7 hours of classroom instruction designed to provide specific information on insurance cycles, operating results, competition, capacity and insurance line reviews. The course is scheduled October 23, 1995.

M Financial Group

1995 Fall Marketing/MPRO Meeting

This course addresses product knowledge of life and disability insurance. The course is 13 hours of classroom instruction designed to provide specific information on disability income insurance, life insurance pricing, small corporate applications, wealth transfer techniques, non-qualified plans, charitable planning, regulation and compliance. The course is scheduled October 18, 1995.

Insurance Continuing Education Advisory Council

Conference Call Minutes

July 27, 1995

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, Room 270, at 3:10 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Ed Eck, Public Member
Bill Bolt, Professional Insurance Agents of Montana Member
Ted Clark, Public Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

A list of others present is attached as Exhibit 1.

Presentation of Course Summaries

Arnold presented the Course Review Summaries, Addendum 1, and Addendum 2, marked as Exhibits 2, 3, and 4 respectively.

Public Comment

Ron Ashabraner thanked Chairman Nelson for his help during the continuing education program in Fairmont.

Discussion of Course Summaries

Clark made a motion to approve all courses as presented. Boon seconded the motion and it carried unanimously.

Council Direction to Staff

Arnold presented two courses, Social Security 1995, and Medicare & Montana Medicaid 1995, submitted by Montana Fringe Benefits. Through no fault of the sponsoring organization all of the necessary information has not yet arrived. Boon made a motion to accept the courses with no credit assigned pending additional information. Leenknecht seconded the motion and it carried unanimously.

The council asked staff to fax meeting materials earlier on the meeting day.

Ted Clark announced that the August advisory council meeting will be his last. He is retiring and resigning his position on the council. The search for a public member to replace Clark is in progress.

Administrative Details - Next Meeting

The next teleconference meetings are August 17, 1995, and September 14, 1995. Both meetings are at 3:00 p.m.

Boon made a motion to adjourn Clark seconded the motion and it carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

AGENDA

July 27, 1995

Sam W. Mitchell Building -- Room 270

Telephone Conference

Call to order	3:00
Presentation of course summaries	3:05
Public Comment	3:15
Discussion of course summaries	3:30
Council direction to staff	3:35
Administrative Details - Next Meetings	3:45

August 17, 1995 or August 24, 1995
Telephone conference - 3:00 pm

September 14, 1995
Telephone Conference - 4:00 pm

Adjourn	3:45

January 22, 1996

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Montana Insurance Education Foundation

Personal Lines Update

This course addresses product knowledge of personal auto and homeowners insurance. The course is 7 hours of classroom instruction designed to provide in-depth information on personal lines risk management, property and liability exposures, claims coverages and protection offered by homeowners and personal automobile policies. The first offering is scheduled October 4, 1995.

Commercial Lines Update

This course addresses product knowledge of commercial insurance. The course is 7 hours of classroom instruction designed to provide specific information on commercial property, business, commercial auto, garage, crime, builders risk, boiler & machinery and inland marine insurance coverages and endorsements. The first offering is scheduled October 5, 1995.

Errors and Omissions Loss Control

This course addresses management of errors and omissions. The course is 6 hours of classroom instruction designed to provide specific information on causes of errors and omissions losses, decreasing exposures, defining inadequate coverages and standards of care. No offering currently scheduled.

American Society of CLU ChFC

American General Advanced Planning Seminar

This course addresses product knowledge of retirement and buy-out plans. The course is 11 hours of classroom instruction designed to provide specific information on buy-sell planning, estate planning, annuity and charitable remainder trusts, qualified retirement plans, nonqualified deferred compensation and trust options. The first offering is scheduled August 24, 1995.

National Conference Broadcast

This course addresses product knowledge of life insurance. The course is 3 hours of video teleconference designed to provide specific information on recent internal revenue code changes that impact life insurance, nonqualified executive benefits and estate planning. The first offering is scheduled October 16, 1995.

1995 Keeping Current Clinic

This course addresses product knowledge of various insurance products. The course is 12 hours of classroom instruction designed to provide general information on long term care and medigap insurance, financing inheritance and estate taxes with life insurance including family split dollar plans. The first offering is scheduled October 14, 1995.

Montana Land Title Association

Changes in Montana Insurance Statutes and Administrative Rules

This course was reviewed and summarized for the advisory council meeting of March 29, 1994.

Convention 1995

This course addresses product knowledge of title insurance. The course is 4 hours of classroom instruction designed to provide general information on requirements for title insurance, buyer obligations, protection offered by title insurance, duration of coverage, claims and recent court rulings affecting title insurance. The first offering is scheduled August 10, 1995.

National Association of Surety Bond Producers

Limited Liability Companies

This course addresses product knowledge of surety insurance for limited liability companies. The course is 2 hours of classroom instruction designed to provide basic information on limited liability companies, underwriting considerations and perils for the underwriter and owner. The first offering is scheduled August 11, 1995.

Surety-Past, Present and Future

This course addresses product knowledge of the surety industry. The course is 1 hour of classroom instruction designed to provide basic information on preceding and current surety markets. The first offering is scheduled August 10, 1995.

The Variable Annuity Life Insurance Company (VALIC)

Introduction to Retirement Planning

This course addresses product knowledge of tax deferred annuities. The course is 5 hours of classroom instruction designed to provide general information on tax deferred annuities and their use in retirement plans. The first offering is scheduled November 1, 1995.

Advanced Portfolio Optimization

This course addresses product knowledge and marketing of variable annuities. The course is 8 hours of classroom instruction designed to provide specific information on using variable annuities in retirement plans, risk and risk tolerance and options. The first offering was June 2, 1995.

FFP (First Financial Planners) Securities, Inc.

1995 Regional Training Meeting

This course addresses product knowledge of variable annuities. The course is 7½ hours of classroom instruction designed to provide specific information on taxation of and applications for variable annuities, charitable remainder trusts and tax credits. The first offering is scheduled November 2, 1995.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

TMG (The Mutual Group) Life Insurance Company

1995 Sales Development Institute

This course addresses product knowledge of life insurance. The course is 5 hours of classroom instruction designed to provide specific information on estate planning for small business owners, survivorship universal life, financial underwriting, life insurance and annuity taxation and split dollar. The first offering is scheduled August 10, 1995.

Mutual Success Advanced Markets School

This course addresses product knowledge and marketing of business and estate planning. The course is 8 hours of classroom instruction designed to provide in-depth instruction on individual needs in estate and business plans and using life insurance products to facilitate family business transfer. The first offering is scheduled September 9, 1995.

National Association of Professional Insurance Agents

Errors & Omissions Mock Trial

This course addresses product knowledge of errors and omissions and ethics. The course is 3 hours of classroom instruction designed to provide specific information on errors and omissions actions against insurance agents, legal standards, procedures and arguments and file documentation to reduce errors and omissions. The first offering is scheduled August 17, 1995 in Boston.

Commercial Lines Changes

This course addresses product knowledge of commercial property and commercial general liability insurance. The course is 3 hours of classroom instruction designed to provide specific information on changes in definitions, loss determination conditions, exclusions for business income, building and personal property and commercial general liability coverages and forms. The first offering is scheduled August 18, 1995.

Personal Lines Hot Spots

This course addresses product knowledge of homeowners insurance. The course is 3 hours of classroom instruction designed to provide specific information on changes in coverages, exclusions and transactions of property and casualty insurance. The first offering is scheduled August 17, 1995.

New York Life Insurance - Montana

Whole Life Insurance

This course addresses product knowledge of whole life insurance. The course is 5 hours of classroom instruction, including 1 hour of agent training, designed to provide specific information on whole life insurance coverages, options, provisions, term riders and supplemental policy benefits, gross premium calculation and dividend options. The first offering is scheduled August 23, 1995.

National Ag Underwriters, inc.

1996 Crop Insurance Training Meeting

This course addresses product knowledge of crop insurance. The course is 6 hours of classroom instruction designed to provide specific information on the 1996 changes in the federal crop insurance program. The course is scheduled August 8, 1995.

Lutheran Brotherhood

Career IV School

This course addresses product knowledge of life insurance. The course is 9½ hours of classroom instruction designed to provide general information on charitable planning, estate planning, trusts qualified planning using life insurance and annuities. The first offering is scheduled August 20, 1995.

Northwestern National Life - Montana

Keeping Current - Split Dollar, Reverse Split Dollar, Charitable Reverse Dollar

This course addresses product knowledge of split dollar products. The course is 2 hours of classroom instruction designed to provide general information on the mechanics and tax consequences of split dollar, reverse split dollar and charitable reverse split dollar plans. The first offering was June 19, 1995.

Passport to Performance

This course addresses product knowledge and marketing of life insurance. The course is 12 hours of classroom instruction, in conjunction with an annual conference, designed to provide general information on using variable universal life as an investment, simplified employee pensions, business continuation plans, private pension retirement plans and family limited partnerships. The first offering is scheduled August 23, 1995.

ClienTell, Inc.

The Complete Guide to Annuities

This course addresses product knowledge of annuities. The course is 5 hours of classroom instruction designed to provide specific information on annuity benefits, liquidity, variable immediate annuities, annuities verses mutual funds, death benefit and fixed annuities. No offerings are scheduled pending approval.

Principles of Variable Annuity Portfolio Optimization

This course addresses product knowledge of variable annuities and ethics. the course is 2 hours of self-study correspondence designed to provide specific information on asset allocation, variable annuity products, investments underlying variable annuities, personal risk tolerance and portfolio optimization. This is an on-going offering.

Connole-Morton Schools

Montana's Unfair Trade Practices & Unfair Claim Settlement Practices Laws

This course addresses ethics. The course is 2 hours of classroom instruction designed to provide specific information on unfair insurance trade practices and unfair claim settlement practices, Montana Code Annotated, administrative rules and court decisions that apply to these practices. The first offering is scheduled October 2, 1995.

Interpreting Policy Provisions: How to Assist Your Client and Stay Out of Court

This course addresses ethics and product knowledge of policy provisions. The course is 5 hours of classroom instruction designed to provide specific information on policy provision interpretations, including intentional verses negligent acts, custody and control, family member and pollution exclusions and subrogation. The first offering is scheduled October 2, 1995.

Commercial Negligent/Wrongful Discharge Liability in Montana

This course addresses product knowledge of commercial liability policies. the course is 1 hour of classroom instruction designed to provide basic information on negligent/wrongful discharge coverage of commercial liability policies, case law and court decisions and allowable damages. The first offering is scheduled October 2, 1995.

Insurance Products in Business & Retirement Planning

This course addresses product knowledge of life insurance. The course is 5 hours of classroom instruction designed to provide general instruction on annuities, credit life insurance, buy-sell agreements and retirement plans using life insurance products. the first offering is scheduled October 2, 1995.

Retirement Plans: Income Tax Benefits and Consequences

This course addresses product knowledge of retirement plans. The course is 3 hours of classroom instruction designed to provide general instruction on retirement plans with an emphasis on IRAs, employment taxes, contribution limits, distributions, simplified employee pension IRAs and salary reduction arrangements. The first offering is scheduled October 2, 1995.

Insurance Business Consultants, Inc.

The World Insurance Market

This course addresses product knowledge and marketing of insurance products. The course is 4 hours of classroom instruction designed to provide general information on investments, risks, clients, protection providers, underwriters, classes, lines and liability in international insurance products. The first offering is scheduled September 10, 1995.

Using Programs to meet Insureds' Needs

This course addresses marketing of specially designed coverage programs. The course is 4 hours of classroom instruction designed to provide specific instruction on determining specific needs of the insured and developing a program that meets those needs, known exposures and legal coverage requirements. The first offering is scheduled September 8, 1995.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Fidelity Investments Institutional Services Company, Inc.

Variable Annuities

This course addresses product knowledge and marketing capability of variable annuities. The course is 1 hour of classroom instruction designed to provide specific information on variable annuity features, the prospectus, free and systematic withdrawals, annuitization, investment features and licensing and registration. The first offering is scheduled August 23, 1995.

Key-Executive Incentive Plans

This course addresses product knowledge and marketing capability of life insurance. The course is 1 hour of classroom instruction designed to provide specific information on key-executive, deferred compensation and split dollar plans, funding vehicles, tax advantages, agreements, policy ownership and dividend treatment. The first offering is scheduled August 10, 1995.

Understanding Annuities

This course addresses product knowledge and marketing capability of annuities. The course is 14 hour of self study correspondence designed to provide specific information on annuity features, the prospectus, free and systematic withdrawals, annuitization, investment features, markets and licensing and registration, fixed verses variable annuities. The first offering is scheduled August 23, 1995.

Society of Professional Benefit Administrators

SPBA 1995 Fall Meeting

This course addresses management of third party administrator firms. The course is 11½ hours of classroom instruction designed to provide specific information on TPA senior management, legal and government compliance, claims and marketing for firms from $500,000 to over $20 million in benefits-related income. This conference is scheduled September 10, 1995.

Canada Life

1995 Selling Strategies Forum

This course addresses marketing and product knowledge of life insurance. The course is 9½ hours of classroom instruction designed to provide general information on estate planning, compliance, tax principles of business and estate life insurance planning, estate planning for the multi-married, VEBA trusts and working with CPAs. This conference is scheduled September 7, 1995.

Continental General Insurance Company

Life & Health Insurance Principles

This course addresses product knowledge of life and health insurance and ethics. The course is 2½ hours of self-study correspondence designed to provide specific information on underwriting, ethics, tax sheltered plans, disability income insurance, Social Security, Medicare and Medicaid. This is an on-going offering.

First American Title Insurance Company

Annual Agents Title Seminar

This course addresses product knowledge of title insurance. The course is 10½ hours of classroom instruction designed to provide specific information on title industry changes, railroad title issues, tax sales and tax deeds and new Montana filings. This conference is scheduled September 7, 1995.

All American Life Insurance Company

Ethical Marketing: It's Good Business

This course addresses ethics. The course is 3 hours of classroom instruction designed to provide specific information on ethic business and marketing methods in the insurance industry. The first offering is scheduled September 29, 1995.

Rain and Hail Insurance Service, Inc.

1996 Fall Crop Insurance Training

This course addresses product knowledge of crop insurance. The course is 6 hours of classroom instruction designed to provide specific information on the 1996 changes in the federal crop insurance program. No offering scheduled pending approval.

Government Employees Insurance Company (GEICO)

Multi-Risk and Mechanical Breakdown Insurance

This course addresses product knowledge of automobile insurance. The course is 2 hours of self-study computer-based instruction designed to provide basic information on multi-risk and mechanical breakdown insurance including warranty comparisons, underwriting, deductibles, coverages and transferability. This is an on-going offering.

Family Automobile Policy Coverages and Contract

This course addresses product knowledge of automobile insurance. The course is 2 hours of self-study computer-based instruction designed to provide basic information on the family automobile policy including liability and physical damages, exclusions, limitations and conditions.

North Central Crop Insurance

1995 MPCI Crop Insurance Seminar

This course addresses product knowledge of crop insurance. The course is 6 hours of classroom instruction designed to provide specific information on the 1995 changes in the federal crop insurance reform program changes. No offering scheduled pending approval.

Terry Payne Agency/Montana Rail Link

Railroad Liability Seminar

This course addresses product knowledge of railroad liability insurance. The course is 12½ hours of classroom instruction designed to provide specific information on railroad liability, accident prevention, loss reduction, indemnity agreements, exposures, and personal injuries. The course was offered June 15, 1995.

Professional Insurance Agents of Montana

Personal Insurance Risk Management School

This course addresses product knowledge of personal insurance. The course is 8 hours of classroom instruction designed to provide general information on personal risk management, exposure identification, residential exposure identification, property ownership and property use. The first offering is scheduled September 15, 1995.

Montana Fringe Benefits

Variable Annuities & Variable Life Insurance

This course addresses product knowledge of variable annuities. The course is 12 hours of classroom instruction designed to provide specific information on variable annuity features, the prospectus, free and systematic withdrawals, annuitization, investment features, asset allocation sub-accounts and licensing and registration.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

June 7, 1995 Meeting
Department of Natural Resources & Conservation Building-Room 111

Call to order	1:00
Review and Approval of Minutes	1:05
Meetings of --	
October 26, 1994	November 17, 1994
December 8, 1994	January 11, 1995
February 15, 1995	April 20, 1995
Presentation of course summaries	1:15
Administrative rule development	1:45

Examination monitoring
Change in credit life and disability licensee requirements
Course submission by individual licensee
Provision of licensee names to continuing education providers
Requests for reconsideration
Fees

Old Business 2:00

Additional material submitted at advisory council request
State Farm Insurance--
Agency Anti-fraud Awareness Class
American Institute for CPCU--
CPCU 9 - Economics

Public Comment	2:45
Break	3:15
Discussion of course summaries	3:30
Discussion of administrative rule development	4:00
Council direction to staff	4:30
Administrative Details - Next Meetings - Proposed dates	4:55

July 19, 1995--Teleconference
August 17, 199--Teleconference
September 14, 1994--Teleconference

Adjourn 5:00

June 6, 1995

Insurance Continuing Education Advisory Council

June 7, 1995

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The meeting of the Insurance Continuing Education Advisory Council was called to order in the Department of Natural Resources & Conservation building - Room 111 at 1:15 p.m.

Members Present

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Bill Bolt, Professional Insurance Agents of Montana Member

Staff Present

Frank Coté, Deputy Insurance Commissioner
Mary Arnold, Continuing Education Program
LaRay Hardie, Recording Secretary

Review and Approval of Minutes

Bebee made a motion to approve the minutes of October 26, 1994, November 17, 1994, December 8, 1994, January 11, 1995, February 15, 1995 and April 20, 1995. Boon seconded the motion. Motion carried.

Presentation of Course Summaries

Arnold went over the Course Review Summaries, shown as Exhibit 1, and Addendum 1, shown as Exhibit 2.

Administrative Rules Development

Arnold discussed the changes the Legislature made regarding pre-licensing education, credit life and disability licensee

continuing edcuation requirements and provision of licensee names to continuing education providers.

Old Business

Arnold reviewed additional course submission materials requested by the Advisory Council for the State Farm Insurance course, Agency Anti-Fraud Awareness and the American Institute for CPCU course, CPCU 9-Economics.

Public Comment

There was none.

Discussion of Course Summaries

Bill Bolt made a motion to accept the course summaries as presented earlier, the State Farm course, Agency Anti-Fraud Awareness and the American Institute course, CPCU 9-Economics and provide appropriate credits for each course. Bebee seconded the motion. Motion carried.

Discussion of Administrative Rule Development

Examination monitoring, change in credit life an disability licensee requirements, course submission by individual licensee, provision of licensee names to continuing education providers, requests for reconsideration and fees were discussed by the members present. It was decided that decisions on these topics should wait until the rest of the members are present.

Council Direction to Staff

There was none.

Administrative Details - Next Meeting

Arnold stated that at the request of Deputy Insurance Commissioner Coté and Commissioner O'Keefe, monthly advisory

council meetings were scheduled to ensure there would be no back log of courses.

Boon suggested advisory council members send their schedules to Arnold to set a firm dates for the meetings when all the members can attend.

Boon made a motion to adjourn. Bebee seconded the motion. The motion passed unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

June 7, 1995 Meeting
Department of Natural Resources & Conservation Building-Room 111

Call to order 1:00

Review and Approval of Minutes 1:05

Meetings of --

October 26, 1994
December 8, 1994
February 15, 1995
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Presentation of course summaries 1:15

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Examination monitoring
Change in credit life and disability licensee requirements
Course submission by individual licensee
Provision of licensee names to continuing education providers
Requests for reconsideration
Fees

Old Business 2:00

Additional material submitted at advisory council request
State Farm Insurance--
Agency Anti-fraud Awareness Class
American Institute for CPCU--
CPCU 9 - Economics

Public Comment 2:45

Break 3:15

Discussion of course summaries 3:30

Discussion of administrative rule development 4:00

Council direction to staff 4:30

Administrative Details - Next Meetings - Proposed dates 4:55

July 19, 1995--Teleconference
August 17, 199--Teleconference
September 14, 1994--Teleconference

Adjourn 5:00

June 6, 1995

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Government Employees Insurance Company

The NCO Program

This course addresses product knowledge of auto insurance. The course is 4 hours of self-study, computer-based instruction, including 1 ½ hours of agent training, designed to provide specific information on insuring Non-commissioned military officers vehicles and other automobiles they may use. This is an on-going offering.

Homeowner's Policy Contract

This course addresses product knowledge of homeowners insurance. The course is 8 hours of computer-based, self-study instruction designed to provide specific, in-depth information on homeowners insurance policies, forms, contracts, coverages, endorsements, peril coverages, settlement provisions and limits. This is an on-going offering.

GI Coverage and Contract

This course addresses product knowledge of auto insurance. The course is 3 hours of self-study, computer-based instruction, including ½ hours of agent training, designed to provide general information on auto liability, auto insurance coverages, exclusions, contract structure, lienholder requirements, comprehensive and collision coverages. This is an on-going offering.

Good Driver Plan

This course addresses product knowledge of auto insurance. The course is 5 hours of computer-based, self-study instruction, including 4 hours of agent training, designed to provide specific information about a GEICO auto insurance product and general information on auto insurance coverages and exclusions. This is an on-going offering.

Cycle Gard Rating Plan

This course addresses product knowledge of motorcycle insurance. The course is 4 hours of computer-based, self-study instruction, including 3½ hours of agent training, designed to provide specific information about a GEICO motorcycle coverage product and rating the driver, and general information on motorcycle insurance coverages, policy exclusions and operator rating. This is an on-going offering.

Auto Underwriting Handbook

This course addresses product knowledge of auto insurance underwriting. The course is 7½ hours of computer-based, self-study instruction, including 2½ hours of agent training, designed to provide specific, in-depth information on underwriting definitions and principles, information gathering, distributions of group characteristics and their meaning, loss statistics, endorsements and how to apply them, contract terms and provisions, coverages and limits, human and vehicle factors, residual markets, rate classification systems and underwriting ethics. This is an on-going offering.

Property Underwriting Handbook

This course addresses product knowledge of property underwriting. The course is 7½ hours of computer-based, self-study instruction, including 1 hour of agent training, designed to provide specific information on insurance principles, risks, underwriting concepts, groups, statistical concepts, loss report interpretation, property contracts, objective and subjective data in underwriting, prior losses and property analysis and underwriting ethics. This is an on-going offering.

Auto Underwriting Investigation

This course addresses product knowledge of auto insurance underwriting. The course is 3 hours of computer-based, self-study instruction designed to provide general information on underwriting factors requiring additional investigation including, occupation, marital status and prior accidents. This is an on-going offering.

The GEICO Casualty Auto Policy

This course addresses product knowledge of casualty and auto insurance. The course is 2½ hours of computer-based, self-study instruction , including 2 hours of agent training, designed to provide basic information on GEICO Casualty and Auto policies and rating requirements and understand basic underwriting rules that apply to these policies. This is an on-going offering.

Montana Association of Life Underwriters

Planning and Settling the Estate

This course addresses product knowledge of estate planning. The course is 8 hours of classroom instruction designed to provide general information on CPA and attorney roles in estate planning, form 706, the Federal Estate Tax Return, family limited partnerships, pension alternatives and generation skipping transfer tax. The first offering is scheduled July 21, 1995.

The New England

Insurance Planning for Tax-exempt Organizations

This course addresses product knowledge and marketing insurance products to tax exempt organizations. The course is 2 hours of video teleconference designed to provide general information on partnerships, S corporations and limited liability companies, insurance bonus plans, non-qualified deferred compensation plans, split dollar and business continuation plans, and how insurance and estate planning relate to flow-through and tax exempt organizations. The course is scheduled June 29, 1995.

Columbus Life Insurance Company

Solving Clients' Needs

This course addresses marketing capability of insurance products. The course is 2½ hours of video teleconference designed to provide general information on marketing to specific clients by identifying issues of importance to the clients and building relationships with clients. The course is scheduled June 20, 1995.

Northwestern Mutual Life, General Agency Montana

Best Business Practices, 1995 Insurance Compliance

This course addresses marketing capability of insurance products. The course is 3 hours of classroom instruction, including 1 hour of agent training, designed to provide basic information on insurance sales techniques, bonding and errors and omissions coverage. The course is scheduled June 22, 1995.

Life Insurance Opportunities in the Estate Planning Marketplace

This course addresses product knowledge of life insurance. The course is 5 hours of classroom instruction designed to provide basic information on retirement planning, tax planning, using illustrations and insurance vehicles to fund estates. The course is scheduled June 23, 1995.

State Farm Insurance

F295 - Flood Insurance

This course addresses product knowledge of flood insurance. The course is 3 hours of classroom instruction designed to provide specific information on the National Flood Insurance Program, use of the federal program forms, ratings, premiums and coverages and a comparison of property coverage other than single family dwelling. No offering currently scheduled.

Montana Insurance Statutes and Changes in Montana Insurance Statutes and Administrative Rules

This course was reviewed and summarized for the advisory council meeting of March 29, 1994.

Montana Insurance Education Foundation

The Exposures of Employer - Employee Relations

This course addresses product knowledge of liability insurance. The course is 3 hours of classroom instruction designed to provide specific information on employers liability, commercial general liability and directors and officers liability policies, coverages exclusions and work place situations which necessitate liability coverage. The course is scheduled August 15, 1995.

Lip Service or Real Service?

This course addresses marketing capability of insurance products. The course is 4 hours of classroom instruction, including 2 hours of motivation, designed to provide basic information on creating a favorable environment in which to work and provide customer service. No offerings are currently scheduled.

Professional Liability Underwriting Managers, Inc.

Opportunities in a World of Change-1995 LPL (Lawyers Professional Liability) Basic Workshop

This course addresses product knowledge and marketing capability of liability insurance. The course is 5 hours of classroom instruction, including ½ hour of agent training, designed to provide specific information on legal malpractice, underwriting, rating, endorsements, and liability coverage. The course is scheduled June 27, 1995.

ClienTell

The Basics of Variable Life Insurance

This course addresses product knowledge and marketing capability of variable life insurance. The course is 3 hours of classroom instruction designed to provide basic information on variable life insurance, potential clients and product liquidity. The course is scheduled July 1, 1995.

National Farmers Union Property & Casualty Company

Career Agent Seminar II

This course is a portion of the National Farmers Union Career Agent Seminar reviewed and summarized December 8, 1994 designed for the Montana participants who cannot attend the entire seminar.

General American Life Insurance Company

Estate Planning Principles/Meeting Client Needs

This course addresses product knowledge of estate planning. The course is three days (11½ hours, 8¼ hours and 7¼ hours) of classroom instruction designed to provide information on wills, intestacy, probate, types of wills and trusts, transfers, life insurance in irrevocable trusts, family trust planning, plan designs, and taxation of life insurance. The first offering is August 6, 1995.

National Endowment for Financial Education/College of Financial Planning

1995 National Conference

This course addresses product knowledge of various insurance issues. The course is 36 hours of classroom seminar. The following seminar sessions must be attended to receive Montana insurance continuing education credit: Annuities in the '90's, Long-term Illness: Protecting the Well Spouse from Financial Impoverishment, Understanding Reverse Mortgages, Limited Liability Companies, Innovative Qualified Plan Design. The course is scheduled July 27, 1995.

Universal Pensions

401(k) Technical Training

This course addresses product knowledge of 401(k) plans. The course is 12 hours of classroom instruction designed to provide specific information on 401(k) plans, investment options, annuities and life insurance. The course is scheduled June 27, 1995.

Pacific Mutual Life Insurance Company

Business Insurance

This course addresses product knowledge of various business insurance policies. The course is 1 hour of classroom instruction designed to provide general instruction on business, key person, non-qualified compensation, business continuation, split dollar and reverse split dollar insurance. The course is scheduled July 13, 1995.

Insurance Business Consultants, Inc.

Exposures from Insureds' Use of Non-employees

This course addresses product knowledge of employer exposures. The course is 4 hours of classroom instruction designed to provide general information on independent operators, insured's exposure due to actions of independent operators, employee leasing, insurance coverage for/on leased employees, underwriting concerns and auto considerations. The course is scheduled September 9, 1995.

Liability Insurance Coverage for Truckers and Insurance Considerations Beyond Liability

This course addresses product knowledge of liability insurance. The course is 12 hours of classroom instruction designed to provide specific information on liability exposures and coverage for truckers. The course is scheduled August 18, 1995.

Employee Practices Liability Coverages

This course addresses product knowledge of liability insurance. The course is 4 hours of classroom instruction designed to provide general information on liability coverages for employee practices including: the application process, interview/screening process, placement and termination. The course is scheduled September 9, 1995.

Redland Insurance Company/American Agrisurance

1996 Fall Crop Insurance Update

This course addresses product knowledge of crop insurance. The course is 4 hours of classroom instruction designed to provide specific information on the 1996 changes in the federal crop insurance program. The course is scheduled August 8, 1995.

American Institute for CPCU/Insurance Institute of America

The following courses are part of the CPCU certification program.

Introduction to Underwriting
SM 19 - Supervisory Skills
AAM 133 - Managing Automated Activity
AAM 132 - Automated Insurance
ARP 102 - Strategic Management for Insurers
AIM 45 - Organizational Behavior in Insurance

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Government Employees Insurance Company

The NCO Program

This course addresses product knowledge of auto insurance. The course is 4 hours of self-study, computer-based instruction, including 1 ½ hours of agent training, designed to provide specific information on insuring Non-commissioned military officers vehicles and other automobiles they may use. This is an on-going offering.

Homeowner's Policy Contract

This course addresses product knowledge of homeowners insurance. The course is 8 hours of computer-based, self-study instruction designed to provide specific, in-depth information on homeowners insurance policies, forms, contracts, coverages, endorsements, peril coverages, settlement provisions and limits. This is an on-going offering.

GI Coverage and Contract

This course addresses product knowledge of auto insurance. The course is 3 hours of self-study, computer-based instruction, including ½ hours of agent training, designed to provide general information on auto liability, auto insurance coverages, exclusions, contract structure, lienholder requirements, comprehensive and collision coverages. This is an on-going offering.

Good Driver Plan

This course addresses product knowledge of auto insurance. The course is 5 hours of computer-based, self-study instruction, including 4 hours of agent training, designed to provide specific information about a GEICO auto insurance product and general information on auto insurance coverages and exclusions. This is an on-going offering.

Cycle Gard Rating Plan

This course addresses product knowledge of motorcycle insurance. The course is 4 hours of computer-based, self-study instruction, including 3½ hours of agent training, designed to provide specific information about a GEICO motorcycle coverage product and rating the driver, and general information on motorcycle insurance coverages, policy exclusions and operator rating. This is an on-going offering.

Auto Underwriting Handbook

This course addresses product knowledge of auto insurance underwriting. The course is 7½ hours of computer-based, self-study instruction, including 2½ hours of agent training, designed to provide specific, in-depth information on underwriting definitions and principles, information gathering, distributions of group characteristics and their meaning, loss statistics, endorsements and how to apply them, contract terms and provisions, coverages and limits, human and vehicle factors, residual markets, rate classification systems and underwriting ethics. This is an on-going offering.

Property Underwriting Handbook

This course addresses product knowledge of property underwriting. The course is 7½ hours of computer-based, self-study instruction, including 1 hour of agent training, designed to provide specific information on insurance principles, risks, underwriting concepts, groups, statistical concepts, loss report interpretation, property contracts, objective and subjective data in underwriting, prior losses and property analysis and underwriting ethics. This is an on-going offering.

Auto Underwriting Investigation

This course addresses product knowledge of auto insurance underwriting. The course is 3 hours of computer-based, self-study instruction designed to provide general information on underwriting factors requiring additional investigation including, occupation, marital status and prior accidents. This is an on-going offering.

The GEICO Casualty Auto Policy

This course addresses product knowledge of casualty and auto insurance. The course is 2½ hours of computer-based, self-study instruction , including 2 hours of agent training, designed to provide basic information on GEICO Casualty and Auto policies and rating requirements and understand basic underwriting rules that apply to these policies. This is an on-going offering.

Montana Association of Life Underwriters

Planning and Settling the Estate

This course addresses product knowledge of estate planning. The course is 8 hours of classroom instruction designed to provide general information on CPA and attorney roles in estate planning, form 706, the Federal Estate Tax Return, family limited partnerships, pension alternatives and generation skipping transfer tax. The first offering is scheduled July 21, 1995.

The New England

Insurance Planning for Tax-exempt Organizations

This course addresses product knowledge and marketing insurance products to tax exempt organizations. The course is 2 hours of video teleconference designed to provide general information on partnerships, S corporations and limited liability companies, insurance bonus plans, non-qualified deferred compensation plans, split dollar and business continuation plans, and how insurance and estate planning relate to flow-through and tax exempt organizations. The course is scheduled June 29, 1995.

Columbus Life Insurance Company

Solving Clients' Needs

This course addresses marketing capability of insurance products. The course is 2½ hours of video teleconference designed to provide general information on marketing to specific clients by identifying issues of importance to the clients and building relationships with clients. The course is scheduled June 20, 1995.

Northwestern Mutual Life, General Agency Montana

Best Business Practices, 1995 Insurance Compliance

This course addresses marketing capability of insurance products. The course is 3 hours of classroom instruction, including 1 hour of agent training, designed to provide basic information on insurance sales techniques, bonding and errors and omissions coverage. The course is scheduled June 22, 1995.

Life Insurance Opportunities in the Estate Planning Marketplace

This course addresses product knowledge of life insurance. The course is 5 hours of classroom instruction designed to provide basic information on retirement planning, tax planning, using illustrations and insurance vehicles to fund estates. The course is scheduled June 23, 1995.

State Farm Insurance

F295 - Flood Insurance

This course addresses product knowledge of flood insurance. The course is 3 hours of classroom instruction designed to provide specific information on the National Flood Insurance Program, use of the federal program forms, ratings, premiums and coverages and a comparison of property coverage other than single family dwelling. No offering currently scheduled.

Montana Insurance Statutes and Changes in Montana Insurance Statutes and Administrative Rules

This course was reviewed and summarized for the advisory council meeting of March 29, 1994.

Montana Insurance Education Foundation

The Exposures of Employer - Employee Relations

This course addresses product knowledge of liability insurance. The course is 3 hours of classroom instruction designed to provide specific information on employers liability, commercial general liability and directors and officers liability policies, coverages exclusions and work place situations which necessitate liability coverage. The course is scheduled August 15, 1995.

Lip Service or Real Service?

This course addresses marketing capability of insurance products. The course is 4 hours of classroom instruction, including 2 hours of motivation, designed to provide basic information on creating a favorable environment in which to work and provide customer service. No offerings are currently scheduled.

Professional Liability Underwriting Managers, Inc.

Opportunities in a World of Change-1995 LPL (Lawyers Professional Liability) Basic Workshop

This course addresses product knowledge and marketing capability of liability insurance. The course is 5 hours of classroom instruction, including ½ hour of agent training, designed to provide specific information on legal malpractice, underwriting, rating, endorsements, and liability coverage. The course is scheduled June 27, 1995.

ClienTell

The Basics of Variable Life Insurance

This course addresses product knowledge and marketing capability of variable life insurance. The course is 3 hours of classroom instruction designed to provide basic information on variable life insurance, potential clients and product liquidity. The course is scheduled July 1, 1995.

National Farmers Union Property & Casualty Company

Career Agent Seminar II

This course is a portion of the National Farmers Union Career Agent Seminar reviewed and summarized December 8, 1994 designed for the Montana participants who cannot attend the entire seminar.

General American Life Insurance Company

Estate Planning Principles/Meeting Client Needs

This course addresses product knowledge of estate planning. The course is three days (11½ hours, 8¼ hours and 7¼ hours) of classroom instruction designed to provide information on wills, intestacy, probate, types of wills and trusts, transfers, life insurance in irrevocable trusts, family trust planning, plan designs, and taxation of life insurance. The first offering is August 6, 1995.

National Endowment for Financial Education/College of Financial Planning

1995 National Conference

This course addresses product knowledge of various insurance issues. The course is 36 hours of classroom seminar. The following seminar sessions must be attended to receive Montana insurance continuing education credit: Annuities in the '90's, Long-term Illness: Protecting the Well Spouse from Financial Impoverishment, Understanding Reverse Mortgages, Limited Liability Companies, Innovative Qualified Plan Design. The course is scheduled July 27, 1995.

Universal Pensions

401(k) Technical Training

This course addresses product knowledge of 401(k) plans. The course is 12 hours of classroom instruction designed to provide specific information on 401(k) plans, investment options, annuities and life insurance. The course is scheduled June 27, 1995.

Pacific Mutual Life Insurance Company

Business Insurance

This course addresses product knowledge of various business insurance policies. The course is 1 hour of classroom instruction designed to provide general instruction on business, key person, non-qualified compensation, business continuation, split dollar and reverse split dollar insurance. The course is scheduled July 13, 1995.

Insurance Business Consultants, Inc.

Exposures from Insureds' Use of Non-employees

This course addresses product knowledge of employer exposures. The course is 4 hours of classroom instruction designed to provide general information on independent operators, insured's exposure due to actions of independent operators, employee leasing, insurance coverage for/on leased employees, underwriting concerns and auto considerations. The course is scheduled September 9, 1995.

Liability Insurance Coverage for Truckers and Insurance Considerations Beyond Liability

This course addresses product knowledge of liability insurance. The course is 12 hours of classroom instruction designed to provide specific information on liability exposures and coverage for truckers. The course is scheduled August 18, 1995.

Employee Practices Liability Coverages

This course addresses product knowledge of liability insurance. The course is 4 hours of classroom instruction designed to provide general information on liability coverages for employee practices including: the application process, interview/screening process, placement and termination. The course is scheduled September 9, 1995.

Redland Insurance Company/American Agrisurance

1996 Fall Crop Insurance Update

This course addresses product knowledge of crop insurance. The course is 4 hours of classroom instruction designed to provide specific information on the 1996 changes in the federal crop insurance program. The course is scheduled August 8, 1995.

American Institute for CPCU/Insurance Institute of America

The following courses are part of the CPCU certification program.

Introduction to Underwriting
SM 19 - Supervisory Skills
AAM 133 - Managing Automated Activity
AAM 132 - Automated Insurance
ARP 102 - Strategic Management for Insurers
AIM 45 - Organizational Behavior in Insurance

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Montana Surplus Lines Agents Association

U.S. Companies doing Business Overseas...Where is our Coverage?

This course addresses product knowledge of insuring international trade goods. The course is 2 hours of classroom instruction designed to provide general information on U.S. insurance coverage on import/export goods and services, other overseas coverages and exporter packages. The course is scheduled July 25, 1995.

International Markets

This course addresses product knowledge of insurance export. The course is 2 hours of classroom instruction designed to provide general information on the London insurance market, classes of insurance in the global market and problems with policies in the international market. The course is scheduled July 24, 1995.

Time Insurance/Fortis Sales

Deferred Compensation 0694

This course addresses product knowledge of non-qualified deferred compensation. The course is 2 hours of classroom instruction designed to provide basic information on non-qualified deferred compensation plans. No offerings are scheduled pending approval.

Executive Bonus 0394

This course addresses product knowledge of life insurance. The course is 1½ hours of classroom instruction designed to provide basic information on executive bonus and using life insurance in a Section 162 executive bonus plan. No offerings are scheduled pending approval.

Individual Medical PT1093R

This course addresses product knowledge of individual medical insurance. The course is 2 1/4 hours of classroom instruction, including 3/4 hour of agent training, designed to provide basic information on health care reform, managed health care, medical coverage and the Time Insurance Individual Medical Plan. No offerings are scheduled pending approval.

Insurance Ethics 1094

This course addresses ethics. The course is 2 hours of classroom instruction designed to promote ethical and professional behavior by insurance professionals. No offerings are scheduled pending approval.

Interest Sensitive Whole Life 0494

This course addresses product knowledge of whole life insurance. The course is 1 hour of classroom instruction, including ½ hour of agent training, designed to provide basic information on whole life insurance products and the Time Insurance Adaptable Life Plan. No offerings are scheduled pending approval.

Introduction to Individual Medical PT0195

This course addresses product knowledge of individual medical insurance. The course is 1 hour of classroom instruction designed to provide basic information on individual medical insurance plan features. No offerings are scheduled pending approval.

Introduction to Small Group PT0195

This course addresses product knowledge of small group insurance policies. The course is 1 hour of classroom instruction designed to provide basic information on small group plans, features and provisions and mandated coverages. No offerings are scheduled pending approval.

Long Term Care 1094

This course addresses product knowledge of long term care medical insurance. The course is 2 hours of classroom instruction designed to provide basic information on long term care, medicare supplement coverage and evaluating long term care insurance. No offerings are scheduled pending approval.

Pension Maximization 0694

This course addresses product knowledge of life insurance. The course is 2 hours of classroom instruction designed to provide basic information on using life insurance to replace a pension plan joint and survivor income option. No offerings are scheduled pending approval.

Prepaid Legal 0495

This course addresses product knowledge of legal insurance. The course is 1 hour of classroom instruction designed to provide basic information on prepaid legal plans, basic terms of such plans and delivery of legal service under the plans. No offerings are scheduled pending approval.

Reverse Split Dollar 0394

This course addresses product knowledge of reverse split dollar life insurance. The course is 1½ hours of classroom instruction designed to provide basic information on how reverse split dollar life insurance policies work, and for which employees such policies are practical. No offerings are scheduled pending approval.

Split Dollar Life Insurance 0394

This course addresses product knowledge of split dollar life insurance plans. The course is 1½ hours of classroom instruction designed to provide basic information on how split dollar life insurance plans work, and for which employees such plans are practical. No offerings are scheduled pending approval.

Variable Universal Life 0295

This course addresses product knowledge of variable universal life insurance. The course is 1 hour of classroom instruction, including ½ hour of agent training, designed to provide basic information on variable universal life insurance and the Fortis Wall Street Series Variable Universal Life product. No offerings are scheduled pending approval.

Northwestern Mutual Life Insurance Company

1995 Post Graduate Round Table

This course addresses product knowledge of estate planning. The course is 2½ hours of class room instruction designed to provide general information on estate planning using family limited partnerships, living trusts, charitable remainder trusts, life insurance planning and advanced wealth transfers. The course is scheduled July 26, 1995.

John Hancock Mutual Life Insurance Company

Cutting Edge Estate and Buy/Sell Planning Techniques

This course addresses product knowledge of estate planning. The course is 3 hours of video teleconference, including 1 hour of agent training, designed to provide general information on estate planning techniques using a multiple skip, generation skipping life insurance trust and long term care coverage and irrevocable life insurance trusts. The course is scheduled August 15, 1995. Subsequent offerings will use videotapes of the presentation.

American Express Financial Advisors

Silver/Gold: Life Insurance Estate Planning

This course addresses marketing capability of life insurance estate plans. The course is 4 hours of classroom instruction designed to provide general information on using life insurance products in estate plans. The course is scheduled July 19, 1995.

Silver/Gold: Group Insurance Carve Out

This course addresses product knowledge and marketing capability of term life insurance. The course is 2 hours of classroom instruction designed to provide general information on providing term life policies to individuals carved-out of employee insurance groups. The course is scheduled July 19, 1995.

Silver/Gold: Life Insurance Competition

This course addresses product knowledge and marketing capability of life insurance. The course is 2 hours of classroom instruction designed to provide general information on product comparisons, loads and charges, guarantees, policy structure and dividend scales. The course is scheduled July 19, 1995.

Silver/Gold: Split Dollar

This course addresses product knowledge of split dollar plans. The course is 2 hours of classroom instruction designed to provide basic information on split dollar funding arrangements. The course is scheduled July 20, 1995.

Silver/Gold: Wealth Transfer/Life Insurance

This course addresses product knowledge of life insurance. The course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide basic information on wealth transfer using universal life insurance products with long term care products funded by capital transfer and the IDS Capital Transfer Specialized Illustration computer program. The course is scheduled July 20, 1995.

Silver/Gold: Risk Management - Municipal Packaged Products

This course addresses product knowledge of life insurance. The course is 2 hours of classroom instruction designed to provide general information on funding life insurance with tax-free investments. The course is scheduled July 19, 1995.

Silver/Gold: Long Term Care

This course addresses product knowledge and marketing capability of long term care insurance. the course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide basic information on long term care plans and the IDS Life LTC Plan. The course is scheduled July 21, 1995.

Silver/Gold: Disability Income

This course addresses product knowledge of disability income insurance. the course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide basic information on disability income insurance for small business owners. The course is scheduled July 20, 1995.

Aid Association for Lutherans

CBT (Computer Based Training) Annuity

This course addresses product knowledge of annuities. The course is 7 hours of self-study, computer-based instruction, including ½ hour of agent training, designed to provide general information on federal laws regulating annuities and payment penalties, ownership, beneficiaries and the use of annuities in revocable and irrevocable trusts. This is an on-going offering.

CBT Long Term Care

This course addresses product knowledge of long term care insurance. The course is 6 hours of self-study, computer-based instruction, including ½ hour of agent training, designed to provide general information on long term care coverages, contract provisions, premium waiver, nursing facility benefits and future purchase options. This is an on-going offering.

Wood Logan Associates, Inc.

Psychographics

This course addresses marketing capability of retirement plans. The course is 1 hour of classroom instruction designed to provide demographic information regarding baby-boomers and retirees. No offerings scheduled pending approval.

Demographics

This course addresses marketing capability of retirement plans. The course is 1 hour of classroom instruction designed to provide demographic information on individuals who may buy retirement products. No offerings scheduled pending approval.

Background and Development of Annuities

This course addresses marketing capability of variable annuities. The course is 1 hour of classroom instruction designed to provide basic information on legislative changes that have affected annuities. No offerings scheduled pending approval.

First American Title Insurance

Intermediate/American Title

This course addresses product knowledge of title insurance issues. The course is 8½ hours of classroom instruction designed to address judicial foreclosure, the unit ownership act, co-insurance, endorsements and underwriting topics. The course is scheduled June 8, 1995.

National Association of Mutual Insurance Companies

MAMIC/NAMIC Insurance Seminar

This course addresses product knowledge of various mutual insurance policies. The course is 10 hours of classroom instruction designed to provide general information on homeowners, farm owners, professional liability and directors and officers liability coverages, exclusions and loss settlement provisions. The course was held June 1, 1995.

National Structured Settlements Trade Association

1995 Annual Meeting & Conference

This course addresses ethics and product knowledge of various insurance issues. The course is 15 hours of classroom instruction designed to provide specific information on structured settlements for injury, ethics in the insurance industry and blending annuity products. No offerings scheduled pending approval.

Society of Certified Insurance Counselors

The following course is part of the certified insurance counselor certification program.

James K. Ruble Seminar/Agency Management Practices

Farm Bureau Life Education Services

Advanced Marketing Seminar

This course addresses product knowledge and marketing capability of various life and disability products. The course is 19 hours of classroom instruction, including 10 hours of agent training, designed to provide general information on charitable uses of life insurance, update on variable annuities and annuities and farm estate planning. The course was held April 3, 1995.

Life School II

This course addresses product knowledge of life insurance. The course is 40 hours of classroom instruction, including 25 hours of agent training, designed to provide specific information on life insurance policies, contract content, exclusions, retirement plans and disability income insurance. The course is scheduled July 24, 1995.

Bell & Associates

Disability Income Applications

This course addresses product knowledge of disability income insurance. The course is 4 hours of classroom instruction designed to provide general information on disability income insurance policies, personal and business use of disability insurance, underwriting and federal benefits. The course is scheduled August 14, 1995.

Accelerated Death Benefits

This course addresses product knowledge of life insurance. The course is 4 hours of classroom instruction designed to provide general information on accelerated death benefits on life insurance to provide funds for pre-death expenses. The course is scheduled August 14, 1995.

Alexander & Alexander

Commercial Crime

This course addresses product knowledge of commercial crime coverage. The course is 4 hours of classroom instruction designed to provide general information on various crime forms and provisions. The course is scheduled August 10, 1995.

Boiler and Machinery

This course addresses product knowledge of boiler and machinery insurance. The course is 4 hours of classroom instruction designed to provide general information on boiler and machinery insurance policies. The course is scheduled September 27, 1995.

Builder's Risk

This course addresses product knowledge of builders risk policies. The course is 4 hours of classroom instruction designed to provide general information on contractor's exposures and inland marine coverage for builders risks. The course is scheduled September 13,1995.

Montana Fringe Benefits

Montana Insurance Statutes and Changes in Montana Insurance Statutes and Administrative Rules

This course submission was reviewed by the council December 8, 1994. The council recommended that a recommendation for approval of this course by this provider be withheld pending certification of an instructor by the sponsoring organization who has appropriate instructor qualifications.

Crop Growers Insurance Inc. (previously Continental)

1996 Fall Crop Insurance Update

This course addresses product knowledge of crop insurance. The course is 6.5 hours of classroom instruction designed to provide specific information on the 1996 changes in the federal crop insurance program. The course is scheduled August 2, 1995.

National Business Institute

Advanced Principles of Title Insurance in Montana

This course addresses product knowledge of title insurance. The course is 6 hours of classroom instruction designed to provide information on commitments and policies, statutory changes, legal entities, ethical considerations and bankruptcy. The course is scheduled October 10, 1995.

M E M O R A N D U M

TO: Mary Arnold

FROM: Margaret Miksch

SUBJECT: Appropriateness of CPCU Economics Material for Insurance Agents' Continuing Education

DATE: November 9, 1994

Per your request, I have reviewed the three CPCU economics manuals to see if they are appropriate for continuing education purposes for insurance agents.

The main focus of all three manuals is general economics. Each touches on the subject of insurance companies as a type of financial institution with assets and liabilities which is subject to state and federal regulation. But such a small part of the material is dedicated to insurance (probably between ten and twenty pages in all three manuals together) that I do not believe that studying all three manuals in their entirety would contribute meaningfully to insurance agents' continuing education.

I should mention that an exam on economics and investments <u>is</u> required in actuarial, LOMA, CLU and CPCU exams. But such an exam is more suitable for in-house insurance employees than for agents in the field.

It is my opinion that these three CPCU economics manuals are not appropriate for insurance agents' continuing education.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Gary D. Knopp's Insurance Institute

IRA Contributions

This course addresses product knowledge of individual retirement accounts. The course is 6 hours of self-study correspondence designed to provide general information on contributing to an IRA. This is an on-going offering.

IRA Distributions

This course addresses product knowledge of individual retirement accounts. The course is 6 hours of self-study correspondence designed to provide general information on receiving distributions from an IRA. This is an on-going offering.

401(k) Plans

This course addresses product knowledge of 401(k) plans. The course is 6 hours of self-study correspondence text designed to provide general information about 401(k) plans. This is an on-going offering.

Ethical Practices

This course addresses ethics. The course is 20 hours of self-study correspondence text, offered through a user agreement with Pictorial, designed to provide specific information on ethical business practices in the insurance industry. This is an on-going offering.

Pictorial, Inc.

CBT (Computer Based Training) - Annuities

This course addresses product knowledge of annuities. The course is 3 hours of computer-based correspondence instruction designed to provide basic information on annuities, variable annuities, settlement options, taxation and markets. This is an on-going offering.

CBT - Disability Income

This course addresses product knowledge of disability income insurance. The course is 3 hours of computer-based correspondence instruction, designed to provide basic information on disability income, disability income insurance and its application, eligibility and underwriting issues. This is an on-going offering.

CBT - Life Products

This course addresses product knowledge of life insurance products. The course is 3 hours of computer-based correspondence instruction, designed to provide basic information on life insurance policies, features, whole, term, universal, variable and variable life policies and how they work. This is an on-going offering.

CBT - Universal Life Basics

This course addresses product knowledge of universal life insurance. The course is 3 hours of computer-based correspondence instruction, designed to provide basic information on universal life insurance, coverages, policy features, and comparisons to other life insurance policies. This is an on-going offering.

National Flood Services, Inc.

Flood Insurance

This course addresses product knowledge of flood insurance. The course is 4 hours of classroom instruction, designed to provide general information on the standard flood insurance program and the national flood insurance program, policies, endorsements, rates coverages and exclusions. No course offerings are scheduled pending approval.

Chicago Title Insurance Company

Montana Spring Underwriting Seminar ' 95

This course addresses product knowledge of title insurance underwriting. The course is 6¼ hours of classroom instruction designed to provide in-depth information on Montana title insurance issues, loss of priority, escrow liability, tribal rights and easement problems. The first offering of this course is scheduled May 6, 1995.

Staeheli Seminars, Inc.

Fast Track Homeowners

This course addresses product knowledge of homeowners insurance. The course is 15 hours of classroom instruction, each day is 8½ hours, designed to provide basic information on terms, declarations, coverages, types, conditions and endorsement in dwelling and homeowners insurance. The first offering is scheduled May 11, 1995.

Federated Insurance Companies

Auto Dealers Workshop

This course addresses product knowledge of auto dealers insurance. The course is 7 3/4 hours of classroom instruction designed to provide specific information on insurance for and exposures to auto dealers. The first offering is scheduled May 9, 1995.

The American College

CE 130 Ethics in Life Insurance and Related Financial Services

This course addresses ethics. The course is 10 hours of self-study correspondence instruction designed to provide in-depth information on ethical behavior in the insurance industry. This is an on-going offering.

The following offerings are part of the *Journal of the American Society of CLU & ChFC* each quiz take approximately 4 hours to complete.

Journal Quiz - January 1995
Journal Quiz - March 1995
Journal Quiz - May 1995
Journal Quiz - July 1995
Journal Quiz - September 1995
Journal Quiz - November 1995
Journal Quiz - January 1996

Sun Financial Group/Sun Life Canada

CLU/MDRT (Chartered Life Underwriter/Million Dollar Round Table) Meeting 1995

This course is summarized under the Life Underwriter Training Council listing in Addendum 1 - April 20, 1995.

United Insurance Educators, Inc.

Universal Health Care

This course addresses product knowledge of universal health insurance. The course is 15 hours of self-study correspondence text designed to provide specific information on health insurance coverages, iD,u, legislative issues, employer contributions and group life insurance. This is an on-going offering.

Understanding Medigap Policies

This course addresses product knowledge of medigap policies. The course is 16 hours of self-study correspondence text designed to provide general information on insurance coverage for medicare shortfalls and exclusions. This is an on-going offering.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Mass Mutual Life Insurance Company

1995 Advance Sales Seminar

This course addresses product knowledge of estate planning. The course is 11 hours of self-study correspondence designed to provide in-depth information on estate planning, variable life, split dollar loans, non-qualified plans and underwriting considerations. The first offering is scheduled April 24, 1995.

Montana Farmers Union Insurance Agency, Inc.

Changes in Montana Insurance Statutes and Administrative Rules

This course was reviewed and summarized for the advisory council meeting of March 29, 1994.

American Land Title Association/Montana Land Title Association

ALTA/MLTA Continuing Education Seminar

This course addresses product knowledge of licensees regarding title insurance. The course is 11 hours of classroom instruction designed to provide specific knowledge of title insurance and related land title issues. The first offering of the course is scheduled for May 18 & 19, 1995.

Northstar Insurance Services

Strategies in Charitable Giving

This course addresses ethics, product knowledge and marketing capabilities of licensees regarding life insurance, estate planning and charitable giving. The course is 5 hours of classroom instruction designed to provide specific knowledge of life insurance's role in charitable giving and estate planning. The first offering of the course is May 2, 1995.

National Association of Insurance Women

You be the Judge

This course addresses ethics and management issues regarding errors and omissions. The course is 2 hours of classroom instruction designed to provide specific knowledge of controlling errors and omissions exposures. The first offering of the course is June 15, 1995.

The Crime Coverage Maze

This course addresses product knowledge of licensees regarding crime coverages for commercial accounts. The course is 2 hours of classroom instruction designed to provide specific knowledge of crime insurance coverage. The first offering of the course is June 16,1995.

Workers Compensation Concerns

This course addresses product knowledge of licensees regarding workers compensation insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of workers compensation insurance. The first offering of the course is June 17, 1995.

The Senior Market

This course addresses product knowledge and marketing capability of licensees regarding medicare supplement and long term care insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of medicare, medicare supplemental insurance, and long term care insurance. The first offering of the course is June 15, 1995.

Insurance Women of Helena

12th Annual Education Seminar

This course addresses management issues for licensees. The course is 4 hours, including 1 hour of motivation, of classroom instruction designed to provide general knowledge of professional development, consumer complaint handling, and personal development. The first offering of the course is April 28, 1995.

Changes in Montana Insurance Statutes and Rules

This course was reviewed and summarized for the advisory council meeting of March 29, 1994.

ClienTell

Variable Universal Life Continuing Education Course

This course addresses product knowledge of licensees regarding variable life insurance. The course is 3 hours of classroom instruction designed to provide specific knowledge of variable life insurance. The first offering of the course was November 7, 1994.

Introduction to Variable Life

This course addresses product knowledge of licensees regarding single premium variable life insurance. The course is 2 hours of classroom instruction designed to provide introductory knowledge of single premium and single premium variable life insurance. The first offering of the course was September 1, 1994.

Skandia's Principles of Variable Annuity Portfolio Management

This course addresses product knowledge of licensees regarding annuities. The course is 3 hours of classroom instruction designed to provide general knowledge of annuities. The first offering of the course was December 21, 1994.

Skandia Annuity Continuing Education Course

This course addresses product knowledge of licensees regarding variable annuities. The course is 3 hours of classroom instruction designed to provide specific knowledge of variable annuities. No course offerings scheduled pending approval.

Farmers Insurance Group

Life Insurance Basics & Products Training Course

This course addresses product knowledge of licensees regarding life insurance and annuities. The course is 12.5 hours of classroom instruction, with 6.5 hours of agent training, designed to provide general knowledge of life insurance and annuities. No course offerings scheduled pending approval.

Personal Umbrella Policy Contract

This course addresses product knowledge of licensees regarding personal umbrella policies. The course is 1.5 hours of classroom instruction designed to provide specific knowledge of personal umbrella policies. No course offerings scheduled pending approval.

Claims Module

This course addresses management issues of licensees regarding client service and claims handling. The course is 1.5 hours of classroom instruction designed to provide general knowledge of claims handling for an agent's clients. No course offerings scheduled pending approval.

Annuity Plans

This course addresses product knowledge of licensees regarding annuities. The course is 2.5 hours of classroom instruction designed to provide specific knowledge of annuities. No course offerings scheduled pending approval.

Account Underwriting

This course addresses management and marketing capabilities of licensees regarding account underwriting. The course is 4 hours of classroom instruction designed to provide specific knowledge of evaluating a risk at the household level. No course offerings scheduled pending approval.

State Farm

H195 - Disability Insurance

This course addresses product knowledge of licensees regarding disability income insurance. The course is 3 hours of classroom instruction designed to provide specific knowledge of disability income insurance. No course offerings scheduled pending approval.

Guaranteed Renewable Disability Insurance

C395 - Evaluating Wildfire Potential

C295 - Evaluating Woodburners

C495 - Evaluating Electrical Systems

Evaluating Roofs and Electrical Systems

Insurance Continuing Education from Montana Agents Service

Montana Insurance Law, Ethics and Client Relations, Life Insurance Riders

Disability Income, Pensions, Charitable Giving and their Applications to Life & Health Insurance

Aetna Casualty and Surety Company

Fiduciary Responsibility Insurance Policy

Erickson-Larsen, Inc.

Agents Guide to Advanced Commercial Auto Exposures

PROSOURCE Educational Services, Inc.

Lifetime Financial Planning

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

April 20, 1995
Sam W. Mitchell Building -- Room 270
Telephone Conference

Call to order	4:00
Presentation of course summaries	4:05
Public Comment	4:15
Discussion of course summaries	4:30
Council direction to staff	4:35
Administrative Details - Next Meeting	4:45

June 7, 1995 - 1:00 p.m., Helena

Agenda items will include: administrative rule drafting, elements and time line and necessary revisions based on legislative actions

Adjourn	4:45

Insurance Continuing Education Advisory Council

Conference Call Minutes

April 20, 1995

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, at 4:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Ed Eck, Public Member
Bill Bolt, Professional Insurance Agents of Montana Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

Presentation of Course Summaries

Arnold went over the Course Review Summary, Addendum 1, Addendum 2, and Addendum 3, marked as Exhibits 1, 2, 3, and 4, respectively. The course *Angell Workshop 2* from National Life Insurance Company was discussed. It was agreed to exclude this course and ask for more information.

Boon made a motion to adjourn. Leenknecht seconded it. Motion carried unanimously.

Insurance Continuing Education Advisory Council

Conference Call Minutes
April 20, 1995

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Tony Leenknecht, Montana Association of Life Underwriters Member
Ed Eck, Public Member
Bill Bolt, Professional Insurance Agents of Montana Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

A list of other parties present is attached as Exhibit 1.

Presentation of Course Summaries

Arnold presented the Course Review Summaries, Addendum 1, Addendum 2, and Addendum 3, marked as Exhibits 2, 3, 4 and 5, respectively. The National Life Insurance Company course, *Angell Workshop 2* was discussed. It was agreed to exclude this course and ask for more information.

Public Comment

There was none.

Arnold informed the committee of State Farm Insurance contact's, Mickey Preston, desire to be connected to the teleconference meetings. State Farm will pay for their telephone time. Arrangements will be made.

Discussion of Course Summaries

Bebee made a motion to exclude the National Life Insurance Company course, *Angell Workshop 2*, from the other courses. Boon seconded the motion. The motion carried unanimously.

Eck made a motion to have the rest of the courses recommended to the commissioner for approval. Boon seconded the motion. Motion carried with Boon abstaining from Montana Insurance Education Foundation courses.

Council Direction to Staff

There was some discussion concerning monitoring examinations. Monitoring of examinations will be added to the agenda for the next meeting.

Legislation affecting the insurance continuing education program was discussed. The legislation to change the continuing education requirement for insurance licensees who are credit life and disability only, went through. They will be required to earn to 5 credit hours annually. There is no longer any exclusion based on level of premiums. The bail bonding agents did get legislation to exclude them from continuing education but the Governor vetoed that bill. Legislators will be polled on this bill.

Administrative Details - Next Meeting

The next meeting will be in Helena on June 7, 1995, 1:00 p.m.

Boon made a motion to adjourn. Leenknecht seconded it. Motion carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - April 20, 1995

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Carrie Martin PO 5593, Helena	MIEF/IIAM	442-9555

Please print

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Montana Association of Life Underwriters

Simplified Basics

This course addresses product knowledge and marketing capability of life insurance. The course is 4 hours of classroom instruction designed to provide general information on business philosophy, prospecting, obtaining interviews, estate planning, business and disability insurance. The first offering is scheduled May 4, 1995 in Bozeman.

Road Map to the Million Dollar Round Table

This course addresses management and marketing capability of life insurance. The course is 5 hours of classroom instruction designed to provide general information on marketing, sales and prospecting. The first offering is scheduled May 5, 1995.

Insurance Business Consultants

Risk Based Capital and the Wholesaler

This course addresses product knowledge of insurance industry regulation. The course is 4 hours of classroom instruction designed to provide general information on regulation, solvency, rating, information systems and risk-based capital calculations. The first offering is scheduled May 21, 1995

Trucking Risk Seminar

This course addresses product knowledge of insurance for the trucking industry. The course is 12 hours of classroom instruction designed to provide in-depth information on the trucking industry, rating, underwriting, liability issues and exposures and coverages. The first offering is scheduled May 7, 1995.

Transamerica Occidental Life Insurance Company

Retirement Planning

This Pictorial course was summarized in the course review summaries for the meeting of June 29, 1994.

Planning with Family Limited Partnerships

This course addresses product knowledge of insurance for partnerships. The course is 2 hours of classroom instruction designed to provide basic information on family limited partnerships, including funding for life insurance premiums and irrevocable trusts. No offerings scheduled pending approval.

Family Limited Partnerships

This course addresses product knowledge of family limited partnerships. The course, offered through a use agreement with Pentera, is 30 hours of self-study correspondence designed to provide in-depth information on family limited partnerships, including estate planning using life insurance and comparisons with irrevocable life insurance trusts. This is an on-going offering.

National Life Insurance Company

Angell Workshop 2

This course addresses product knowledge of defective grantor trusts. The course is 1 hour of classroom instruction, designed to provide specific knowledge of ownership, taxation, disposition control, exceptions and administrative powers in a trust. The first offering is scheduled May 11, 1995.

Carbee Workshop 2

This course addresses management by working with advisors. The course is 1 hour of classroom instruction designed to provide general information on advisors needed and used by clients in insurance markets. The first offering of this course is May 12, 1995.

Janawicz Workshop

This course addresses product knowledge of qualified plans. The course is 1 hour of classroom instruction designed to provide specific information on legislative changes with an impact on qualified plans. The first offering is scheduled May 12, 1995.

Horchler Workshop

This course addresses management in enhancing agent effectiveness through automation. The course is 1 hour of classroom instruction designed to provide general information on using technology to analyze client needs, prospecting, client management and continuing education. The first offering is scheduled May 12, 1995.

Seivwright Workshop

This course addresses product knowledge of disability insurance. The course is 1 hour of classroom instruction designed to provide specific information on legislative changes with an impact on disability insurance. The first offering is scheduled May 13, 1995.

Teitelbaum Workshop

This course addresses product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide specific information on liquidity planning, business transfer, family limited partnerships, and uses of insurance and annuity trusts. The first offering is scheduled May 13, 1995.

Usle/Pinkans Workshop

This course addresses product knowledge of charitable remainder trusts. The course is 4 hours of classroom instruction designed to provide general information on using annuities as funding vehicles for charitable remainder trusts. The first offering is scheduled May 13, 1995.

Reach Spring 1995

This course addresses product knowledge of insurance products and applications, annuities, and uses of both. The course is 20 hours of classroom instruction, including 7 hours of agent training and conference activities, designed to provide general and in-depth information on deferred compensation, profit sharing, annuities, illustrations, tax developments, executive bonus plans, severance pay plans and split dollar retirement planning. The first offering of this course was April 2, 1995.

SAFELITE Glass Corporation

Controlling Auto Glass Losses

This course addresses product knowledge and management of auto glass coverages. The course is 2 hours of classroom instruction designed to provide general knowledge of the auto glass industry and how to control costs associated with auto glass claims. No course offerings scheduled pending approval.

Montana Insurance Education Foundation, Inc.

Hidden Exposures

This course addresses product knowledge of casualty insurance. This course is 3 hours of classroom instruction designed to provide general information on hidden employer liability exposures, such as wrongful termination and harassment and the impact of the Americans With Disabilities Act on insurance. The first offering is scheduled for June 24, 1995.

Q & A Personal Lines

This course addresses product knowledge of personal lines. This course is 3 hours of classroom instruction designed to provide specific knowledge of homeowners and automobile policies. The first offering of the course is scheduled for June 23, 1995.

Q & A Commercial

This course addresses product knowledge of commercial lines insurance. This course is 3 hours of classroom instruction designed to provide specific knowledge of commercial lines policies. The first offering is scheduled for June 23, 1995.

Forgotten Property Forms

This course addresses product knowledge of property insurance. This course is 7 hours of classroom instruction designed to provide specific knowledge of Leasehold Interest, Business Income, Legal Liability, and Extra Expense policy forms. The first offering is scheduled for June 22, 1995.

Best Business Practices - Becoming the Best of the Best

This course addresses management capability. This course is 3 hours of classroom instruction designed to provide general information on improving agent business practices, especially as they relate to customer expectations and satisfaction. The first offering is scheduled for August 14, 1995.

Understanding the Surplus Lines Market

This course addresses marketing capability and product knowledge regarding surplus lines insurance. This course is 3 hours of classroom instruction designed to provide general information on surplus lines and the wholesale market. The first offering is scheduled for May 3, 1995.

International Society of Certified Employee Benefit Specialists

115 ISCEBS Continuing Education Course

This course addresses product knowledge of employee benefits. This course is 29 hours of self-study correspondence text designed to provide up to date information on health care, retirement planning, and other employee benefit planning matters. This is an on going offering, with an exam to be held on June 14, 1995.

Alliance Insurance Companies

Review of Bonds, Commercial Lines and Claims

This course addresses product knowledge of bonds and commercial lines and the management of claims. This course is 3 hours of classroom instruction, including 1½ hours of agent training, designed to provide general information on bonds, some commercial coverages and claims handling procedures. The first offering is scheduled for May 2, 1995.

American Express Financial Advisors

1995 APD: EP106 (How to Market the IDS Charitable Giving Program to Non-Profit Organizations)

This course addresses marketing capability of life insurance. This course is 2 hours of classroom instruction, including 1 hour of agent training (prospecting), designed to provide specific information on planned giving programs. No course offerings scheduled pending approval.

1995 APD: EP306 (Advanced Planned Giving Strategies)

This course addresses marketing capability of life insurance. This course is 2 hours of classroom instruction designed to provide general information on advanced estate planning and charitable giving. No course offerings scheduled pending approval.

1995 APD: IN105 (Who says Fixed Annuities and Certificates are Boring?)

This course addresses marketing capability of fixed annuities. This course is 2 hours of classroom instruction, including 1 hour of non-insurance related material, designed to provide specific information on using fixed annuities with the retired market. No course offerings scheduled pending approval.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Montana Society of CPA's

Accounting for Insurance Agencies and Brokerages

This course addresses management of insurance agency accounting. The course is 8 hours of classroom instruction designed to provide specific information on revenue recognition, fiduciary fund accounting, contingent commissions, direct vs. agency billing, return premiums, financed policies and the Accounting and Reporting Guide for Insurance Agents and Brokers. No offerings are scheduled pending approval.

Nationwide Life Insurance Company

Introduction to 401(k) Plans

This course addresses product knowledge of 401(k) plans. The course is 2 hours of classroom instruction designed to provide general information on 401(k) plans, administration, eligibility, types of plans, employer and employee advantages, contributions and reporting. No offerings are scheduled pending approval.

PRIMEVEST Financial Services, Inc.

Annuity Concepts

This Pictorial course was summarized in the Course Review Summaries for the meeting of February 8, 1994.

Pension Planning Concepts

This course addresses product knowledge of pensions. The course is 28 hours of self-study correspondence text, offered through a use agreement with Pictorial, designed to provide general information on pension plans, including insurance vehicles to funds pensions. This is an on-going offering.

Financial Products Training Course

This Pictorial course was summarized in the Course Review Summaries for the meeting of February 8, 1994.

Financial Planning Process Course

This Pictorial course was summarized in the Course Review Summaries for the meeting of February 8, 1994.

Pellerino Consulting Services, Inc.

Course "T"

This course addresses product knowledge of health insurance plans and regulation changes. The course is 16 hours of classroom instruction designed to provide specific information on federal legislative changes, plan types, trust account requirements, commissions and other considerations. The first offering is scheduled May 17, 1995.

Yellowstone Boys and Girls Ranch Foundation

Philanthropy and Estate Planning: Just in Case

This course addresses product knowledge of charitable giving in estate planning. The course is 8 hours of classroom instruction designed to provide general information on the integration of insurance, family and charitable estate planning using charitable trusts an irrevocable life insurance trusts. The first offering is scheduled May 19, 1995.

The Life Underwriter Training Council

The following are LUTC courses previously submitted as correspondence offerings. Each course will require coverage of materials identical to the correspondence offering in a classroom environment.

Personal Insurance Course (Classroom)
Business Insurance Course (Classroom)
Disability Income Course (Classroom)
Multiline Skills Course (Classroom)
Personal Estate and Retirement Planning (Classroom)
Advanced Business Planning Course (Classroom)
Fundamentals of Financial Services (Classroom)
Professional Growth Course (Classroom)

MDRT '95 (Million Dollar Round Table)

This course addresses product knowledge, marketing capability, management and ethics in life insurance. The course is 6 hours of classroom instruction, composed of 24, 1 hour modules, 6 of which each participant must attend, including: non-qualified plans, family limited partnerships, tax sheltered annuities, disability income, legal and ethical practices, personal estate planning dilemmas of the Life Insurance Agent, variable annuities, variable products, charitable remainder trusts, split dollar and long term care. The first offering is June 26, 1995.

Insurance Sales Illustration Systems, Inc. (ISIS)

ISIS Plus Foundations

This course replaces the previously approved Advanced Underwriting Concepts, 91-1000-001.

American Society of CLU & ChFC

NYL (New York Life) - Chairman's Council '94

This course addresses product knowledge of life insurance. The course is 4 hours of classroom instruction, composed of 4, 2 hour modules, two of which each participant must attend, designed to provide information on family limited partnerships, qualified and non-qualified plans and buy-sell planning. The first offering of this course was October 4, 1995.

VTC (Video Teleconference) - Simple Techniques for Overcoming Complex Problems

This course addresses product knowledge and marketing capability of estate plans. The course is 3 hours of video-teleconference designed to provide specific information on split dollar, qualified plans, tax trusts, bonus plans and insurance policies. The first offering of this course is scheduled May 17, 1995.

The following course is part of the CLU certification program.

1995 Charleston Institute

Mutual of New York (MoNY)

Selling Pension, Profit Sharing and 401(k) Plans

This course addresses product knowledge of business insurance. The course is 23 hours of classroom instruction designed to provide general information about business insurance, split dollar, business continuation, disability income, group carveout, reverse split dollar and term insurance conversions. The first offering is scheduled May 22, 1995.

Advanced Business School

This course addresses product knowledge of pensions, profit sharing and 401(k) plans. The course is 25 hours of classroom instruction, including 12 hours of agent training, designed to provide general information about Mutual of New York policies, profit sharing, 401(k) plans and profit sharing plans. The first offering of the course is scheduled May 22, 1995.

New York Life Insurance Company

Compliance Meeting

This course addresses ethics. The course is 4 hours of classroom instruction designed to provide in-depth information on ethical business practice, compliance with laws and ethics and legal requirements of sales material use. The first offering of this course was March 25, 1994.

American Express Financial Services

1995 APD: IN112 (Risk Management Opportunities with Asset Allocation)

This course addresses product knowledge of life insurance. This course is 2 hours of classroom instruction designed to provide specific information on how to use life insurance, long term care insurance and disability insurance to manage non-investment risks in asset allocation programs. No course offerings scheduled pending approval.

1995 APD: RP111 (Understanding Your Client's Benefits from Employer)

This course addresses product knowledge of employee benefit plans. The course is 2 hours of classroom instruction designed to provide specific knowledge of employer provided benefits. No course offerings scheduled pending approval.

1995 APD: RP110 (Disability Income Product Fundamentals)

This course addresses product knowledge of licensees regarding disability income insurance. The course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide specific knowledge of disability income insurance. No course offerings scheduled pending approval.

1995 APD: WP106 (Executive Benefits II)

This course addresses product knowledge and marketing capability of licensees regarding non-qualified deferred compensation plans. The course is 2 hours of classroom instruction designed to provide specific knowledge of non-qualified deferred compensation plans. No course offerings scheduled pending approval.

1995 APD: WP120 (Disability Income Protection Planning)

This course addresses product knowledge of licensees regarding group long term disability insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of group long term disability insurance. No course offerings scheduled pending approval.

1995 APD: WP121 (Disability Insurance Basics for the Business Owner)

This course addresses product knowledge and marketing capability of licensees regarding disability insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of disability insurance in the small business market. No course offerings scheduled pending approval.

1995 APD: WP306 (Advanced Business Planning Needs/Solutions Case Study)

This course addresses product knowledge and marketing capability of licensees regarding life insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of life insurance in the small business market. No course offerings scheduled pending approval.

1995 APD: WP305 (Corporate Capital Transfer (Reverse Split Dollar)

This course addresses product knowledge of licensees regarding life insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of life insurance in reverse split dollar plans. No course offerings scheduled pending approval.

1995 APD: WP204 (Business Transfer Planning Application)

This course addresses product knowledge of licensees regarding life insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of life insurance in buy-sell plans. No course offerings scheduled pending approval.

1995 APD: WP104 (Business Continuation/Transfer)

This course addresses product knowledge of licensees regarding life insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of life insurance in business continuation/transfer plans. No course offerings scheduled pending approval.

1995 APD: WP105 (Executive Benefits I)

This course addresses product knowledge and marketing capability of licensees regarding life and disability insurance. The course is 2 hours of classroom instruction, with ½ hour of agent training, designed to provide specific knowledge of life and disability insurance and their use in executive benefit plans. No course offerings scheduled pending approval.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

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This course addresses management of insurance agency accounting. The course is 8 hours of classroom instruction designed to provide specific information on revenue recognition, fiduciary fund accounting, contingent commissions, direct vs. agency billing, return premiums, financed policies and the Accounting and Reporting Guide for Insurance Agents and Brokers. No offerings are scheduled pending approval.

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New York Life Insurance Company

Compliance Meeting

This course addresses ethics. The course is 4 hours of classroom instruction designed to provide in-depth information on ethical business practice, compliance with laws and ethics and legal requirements of sales material use. The first offering of this course was March 25, 1994.

American Express Financial Services

1995 APD: IN112 (Risk Management Opportunities with Asset Allocation)

This course addresses product knowledge of life insurance. This course is 2 hours of classroom instruction designed to provide specific information on how to use life insurance, long term care insurance and disability insurance to manage non-investment risks in asset allocation programs. No course offerings scheduled pending approval.

1995 APD: RP111 (Understanding Your Client's Benefits from Employer)

This course addresses product knowledge of employee benefit plans. The course is 2 hours of classroom instruction designed to provide specific knowledge of employer provided benefits. No course offerings scheduled pending approval.

1995 APD: RP110 (Disability Income Product Fundamentals)

This course addresses product knowledge of licensees regarding disability income insurance. The course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide specific knowledge of disability income insurance. No course offerings scheduled pending approval.

1995 APD: WP106 (Executive Benefits II)

This course addresses product knowledge and marketing capability of licensees regarding non-qualified deferred compensation plans. The course is 2 hours of classroom instruction designed to provide specific knowledge of non-qualified deferred compensation plans. No course offerings scheduled pending approval.

1995 APD: WP120 (Disability Income Protection Planning)

This course addresses product knowledge of licensees regarding group long term disability insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of group long term disability insurance. No course offerings scheduled pending approval.

1995 APD: WP121 (Disability Insurance Basics for the Business Owner)

This course addresses product knowledge and marketing capability of licensees regarding disability insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of disability insurance in the small business market. No course offerings scheduled pending approval.

1995 APD: WP306 (Advanced Business Planning Needs/Solutions Case Study)

This course addresses product knowledge and marketing capability of licensees regarding life insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of life insurance in the small business market. No course offerings scheduled pending approval.

1995 APD: WP305 (Corporate Capital Transfer (Reverse Split Dollar)

This course addresses product knowledge of licensees regarding life insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of life insurance in reverse split dollar plans. No course offerings scheduled pending approval.

1995 APD: WP204 (Business Transfer Planning Application)

This course addresses product knowledge of licensees regarding life insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of life insurance in buy-sell plans. No course offerings scheduled pending approval.

1995 APD: WP104 (Business Continuation/Transfer)

This course addresses product knowledge of licensees regarding life insurance. The course is 2 hours of classroom instruction designed to provide specific knowledge of life insurance in business continuation/transfer plans. No course offerings scheduled pending approval.

1995 APD: WP105 (Executive Benefits I)

This course addresses product knowledge and marketing capability of licensees regarding life and disability insurance. The course is 2 hours of classroom instruction, with ½ hour of agent training, designed to provide specific knowledge of life and disability insurance and their use in executive benefit plans. No course offerings scheduled pending approval.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

February **15**, 1995
Sam W. Mitchell Building -- Room 270
Telephone Conference

Call to order	3:00
Presentation of course summaries	3:05
Public Comment	3:15
Discussion of course summaries	3:30
Council direction to staff	3:35
Administrative Details - Next Meeting	3:45
April 20, 1995 - 4:00 p.m. phone conference	
Adjourn	3:45

PLEASE NOTE: **The meeting has been changed to a Wednesday Telephone Conference at 3:00 p.m.**

February 13, 1995

Insurance Continuing Education Advisory Council

Conference Call Minutes
February 15, 1995

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Ted Clark, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Ed Eck, Public Member
Bill Bolt, Professional Insurance Agents of Montana Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

A list of other parties present is attached as Exhibit 1.

Presentation of Course Summaries

Arnold presented the Course Review Summaries, and Course Review Summaries, Addendum 1, attached as Exhibits 2 and 3 respectively. Arnold presented Course Review Summaries, Addendum 2, attached as Exhibit 4, and explained the courses were not filed in compliance with the continuing education rules. It is staff's recommendation that the council recommend to the commissioner that these courses not be approved for the proposed offering dates, but for a date 60 days after the submission date and any offering after that.

Public Comment

There was none.

Discussion of Course Summaries

Eck made a motion to accept Course Summaries and Course Summaries Addendum 1 for approval. Clark seconded the motion. Motion carried. Boon abstained from voting on the Montana Insurance Education Foundation course.

There was extensive discussion concerning Addendum 2. Clark made a motion to recommend to the commissioner that these courses be approved for 60 days after the submission date, that the sponsoring organizations be contacted, that a fine be levied against said providers and that students attending course offerings identified on the course submission, prior to the allowable 60 days, be allowed continuing education credit for the listed offering, but the approval of the course be 60 days after the submission date. Leenknecht seconded the motion. Discussion was held.

Bebee moved to amend the previous motion, to fine Farm Bureau Life - Iowa, because the class has already been held, and those students be given credit and the other two sponsoring organizations be given the option of paying a fine and still having those dates approved or moving the dates 60 days after the submission. Leenknecht seconded the motion and it carried.

Council Direction to Staff

89 licensees have received extensions of the 1994 insurance continuing education compliance deadline. The majority of these extensions are until March 15, 1995. 200 other requests for extensions were not granted extensions. These requests were either not needed (the licensee had met the requirement) or were frivolous (the licensee must pay the late fee).

Bill status: SB216 passed the Senate and is in the House. SB336 passed House. SB67 was killed.

Administrative Details - Next Meeting

April 20, 1995, 4:00 p.m. will be the next telephone conference.

Leenknecht made a motion to adjourn. Clark seconded the motion and it carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - February 15, 1995

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Carrie Mark Helena	MI&F	(406)442-9555

Please print

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Time Insurance/Fortis Sales

Employee Benefits (PT1093)

This course addresses product knowledge of employee benefits insurance. The course is 2½ hours of classroom instruction with slides, including 1½ hours of agent training, designed to provide specific information on the Time Insurance employee benefit package, state and national health care reform, managed health care concepts and comprehensive small group plan elements. No course offerings scheduled pending approval.

Individual Medical (PT1093)

This course addresses product knowledge of individual medical insurance. The course is 2½ hours of classroom instruction with slides, including 1½ hours of agent training, designed to provide general information on state and federal mandated benefits, policy language, interim coverage and plan features of the Time policy. No course offerings scheduled pending approval.

Short Term Medical (PT1093)

This course addresses product knowledge of short term medical insurance. The course is 2½ hours of classroom instruction with slides, including 1½ hours of agent training, designed to provide general knowledge of product features, form completion, administrative support, history of short term medical insurance, available markets, corporate and student need. No course offerings scheduled pending approval.

Taxation of Life Insurance (0394)

This course addresses product knowledge and marketing of life insurance. The course is 2 hours of classroom instruction designed to provide general information on life insurance taxation, premium taxation, death benefits, transfer for value, cash values, partial surrenders and policy exchanges. No course offerings scheduled pending approval.

Disability Income (0794)

This course addresses product knowledge of disability income insurance. The course is 1 hour of classroom instruction designed to provide general information on definitions, concepts, underwriting, riders, policy design and elimination periods for disability insurance. No course offerings scheduled pending approval.

Variable Universal Life

This course addresses product knowledge of variable universal life insurance. The course is 2½ hours of classroom instruction with slides, including 1½ hours of agent training, designed to provide general information on variable universal life insurance, comparisons with universal life insurance, riders and markets and the features of the Time product. No course offerings scheduled pending approval.

Safeco Education Center

Personal Auto Policy

This course addresses product knowledge of personal auto insurance. The course is 6 hours of classroom instruction designed to provide specific information on coverages, identifying the insured, describing coverages and exclusions, medical payment and underinsurance motorist coverages, the concepts of comprehensive and collision coverage and endorsements. The first offering is scheduled for April 24, 1995.

Homeowners Insurance Policy

This course addresses product knowledge of homeowners insurance. The course is 6 hours of classroom instruction designed to provide specific information on who and what are insurance under homeowners policies, coverages, exposures, differences in types of homeowners policies, property and liability limits and choosing options. The first offering is scheduled April 25, 1995.

ClienTell

Complete Guide to Charitable Remainder Trust

This course addresses product knowledge and marketing of charitable remainder trusts. The course is 3 hours of classroom instruction designed to provide basic information on charitable remainder trusts, definitions, charitable remainder annuity trusts, charitable remainder unitrusts, asset conversion, tax treatment, distributions, prospects and contract features. No course offerings scheduled pending approval.

Skandia Principles of Variable Annuity Portfolio Management

This course addresses product knowledge of variable annuities. The course is 24 hours of self-study correspondence instruction designed to provide detailed information on variable annuities, portfolio concepts and management, return rates, risk, diversification, investor objectives and measuring performance. No course offerings scheduled pending approval.

Transamerica Occidental Life Insurance

Fixed Annuity or Variable Annuity -- Which to Choose?

This course addresses product knowledge of fixed and variable annuities. The course is 1 hour of classroom instruction designed to provide basic information on suitability of fixed and variable annuities and analyzing annuity contracts. The first offering is scheduled for March 30, 1995 in Century City, California.

Montana Insurance Education Foundation

Personal Lines Account Management

This course addresses product knowledge of personal lines insurance. This course is 8 hours of classroom instruction designed to provide specific information on auto, homeowners, condo and personal umbrella policies, gray areas and policy overlap. The first offering is scheduled for March 11, 1995.

Safelite

Controlling Auto Glass Loss

This course addresses management and product knowledge of auto glass losses. This course is 2 hours of classroom instruction designed to provide specific information on automotive glass, breakage, associated risks and losses with breakage, auditing claims and reducing claims and losses. No course offerings scheduled pending approval.

Chubb Life America

CLU/ChFC Illustration Questionnaire Module

This course addresses marketing capability of life insurance. This course is 1 hour of classroom instruction designed to provide information on the CLU/ChFC Illustration Questionnaire, the section content, usage and methodology. No course offerings scheduled pending approval.

Disability Income Module

This course addresses product knowledge of life insurance. This course is 1 hour of classroom instruction designed to provide specific information on using life insurance to avoid the generation skipping transfer tax, allowable exemptions, and definitions. No course offerings scheduled pending approval.

Dynasty Trusts Module

This course addresses product knowledge of life and disability income insurance. This course is 1 hour of classroom instruction designed to provide basic information on disability income and insurance, protection available and business overhead expense and buy-out coverage. No course offerings scheduled pending approval.

American Society of CLU & ChFC

The following course is part of the Certified Life Underwriter and Chartered Financial Consultant certification programs. The course is 11 hours of individually tailored workshops.

Sections Continuing Education Event

New York Life May Video Teleconference

This course addresses product knowledge of deferred compensation. This course is 3 hours of video teleconference designed to provide specific information on deferred compensation, nonqualified plans, funding and issues matrix, traditional plans, vesting, split dollar and life insurance products. The first offering is scheduled May 4, 1995.

United Insurance Educators

Business Ethics

This course addresses ethics. The course is 10 hours of self-study correspondence text designed to provide indepth information on applying ethics to situations in the insurance industry and promoting ethical behavior and thinking. This is an on-going offering.

Retirement Planning

This course addresses product knowledge of retirement planning. The course is 28 hours of self-study correspondence text designed to provide indepth information on wills and living trusts, gifting, property transfers (including insurance), annuities and cash value policies. This is an on-going offering.

National Association of Health Underwriters

The following courses are part of the Registered Health Underwriter and Registered Employee Benefits Consultant certification programs.

RHU (Registered Health Underwriter) I
RHU (Registered Health Underwriter) II
RHU (Registered Health Underwriter) III
REBC (Registered Employee Benefits Consultant) I
REBC (Registered Employee Benefits Consultant) II

Northwestern Mutual Life, General Agency Montana

Changes in Montana Insurance Statutes and Administrative Rules

This course was reviewed and summarized for the advisory council meeting of March 29, 1994.

CPCU (Chartered Property Casualty Underwriter) Society

The following courses are part of the Chartered Property Casualty Underwriter certification program.
Directors & Officers Liability
Pollution Liability

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Insurance Business Consultants, Inc.

Advanced Liability

This course addresses product knowledge of liability insurance. This course is 12 hours of classroom instruction designed to provide general information on general liability coverages, endorsements, employee leasing, discrimination, property and wet marine coverages. The first offering of this course is scheduled April 23, 1995.

National Life Insurance Company

Advanced Retirement Planning Seminar

This course addresses product knowledge and marketing of retirement plans. This course is 13 hours of classroom instruction, including 2 hours of agent training, designed to provide specific information on regulated and non-regulated fringe benefit plans, pensions, business prospects, census information, life insurance in qualified plans, annuities, distributions and marketing ideas. The first offering of the course is scheduled for March 20, 1995.

Pictorial, Inc.

Personal Auto Coverage (revised)

This course addresses product knowledge of personal automobile insurance. The course is 13 hours of self-study correspondence text designed to provide in depth information on basic policy elements, liability, medical payments and uninsured motorist coverages, collision and comprehensive coverage, duty of the insured and policy endorsements. This is an on-going offering.

Agents Guide to Business Insurance

This course addresses product knowledge of business insurance. This course is 44 hours of self-study correspondence text designed to provide extensive information on business risks, continuation strategies, key person insurance, compensation strategies and financial statements. This is an on-going offering.

Agents Guide to Estate Planning

This course addresses product knowledge and ethics of estate planning. This course is 52 hours of self-study correspondence text designed to provide specific information on property ownership, estate administration, wills, death taxes, estate taxes, taxation of life insurance and annuities, lifetime gifts, trusts and estate planning techniques. This is an on-going offering.

Delivering Quality Service

This course addresses marketing and ethics. The course is 12 hours of self-study correspondence text designed to provide basic information on customer service, communication techniques to improve customer understanding and service. This is an on-going offering.

Ethical Practices

This course addresses ethics. The course is 20 hours of self-study correspondence text designed to provide specific information on ethical behaviors, trust, providing disclosure in policy illustrations, legal issues, fraud and the main concepts of the life insurance marketing code of ethics. This is an on-going offering.

Executive Bonus Plan/Executive Retirement Plan

This course addresses product knowledge and marketing of bonus and benefit plans. The course is 6 hours of self-study correspondence text designed to provide general information on executive bonus, retirement and nonqualified plans. This is an on-going offering.

Executive Split Dollar

This course addresses product knowledge of split dollar policies. The course is 10 hours of self-study correspondence text designed to provide specific information on split dollar insurance and how it works, plan types, owner and non-owner employee plans, terminating plans, advanced rollouts and crawlouts, survivorship life split dollar and charitable uses of split dollar policies. This is an on-going offering.

Group Insurance (revised)

This course addresses product knowledge of group insurance. The course is 21 hours of self-study correspondence text designed to provide specific information on group benefits, group plans, group life and health insurance, section 125 plans, group long-term care coverage and servicing group plans. This is an on-going offering.

Insurance Ethics & Consumer Protection

This course addresses ethics. The course is 4 hours of self-study correspondence text designed to provide basic information on the role of ethics in agent development, the insurance industry and consumer protection. This is an on-going offering.

Insurance Fraud Awareness

This course addresses ethics and marketing of insurance. The course is 23 hours of self-study correspondence text designed to provide specific information on insurance fraud, the commission and concept of fraud, investigating insurance fraud, recognizing fraudulent claims and investigating claims. This is an on-going offering.

Managed Care Strategies

This course addresses product knowledge of managed care in health insurance. The course is 18 hours of self-study correspondence text designed to provide general information on types of managed care systems, medical case management and utilization management. This is an on-going offering.

Negotiation Skills

This course addresses product knowledge of claim negotiation. The course is 14 hours of self-study correspondence text designed to provide basic information on claim handling, negotiation, settlement and special consideration. This is an on-going offering.

Non-qualified Retirement and/or Survivor Planning

This course addresses product knowledge of non-qualified retirement and survivor plans. The course is 8 hours of self-study correspondence text designed to provide general information on plan types, tax considerations, estate tax considerations and payment of benefits. This is an on-going offering.

Pension Planning Concepts

This course addresses product knowledge of pension planning. The course is 46 hours of self-study correspondence text designed to provide in depth information on pension planning, plan qualification, ERISA, plan types and benefits, plan funding methods and instruments, inflation effects and plan administration. This is an on-going offering.

Travelers MasterPak Simplified Coverage

This course addresses product knowledge of business insurance. The course is 18 hours of self-study correspondence text, including 5 hours of agent training, designed to provide specific information on business property coverage and basic plan form and optional coverage and the elements of various MasterPak policies. This is an on-going offering.

State Farm Insurance

L995 - Annuity Concepts

This course addresses product knowledge of annuities. The course is 1 hour of classroom instruction, including ½ hour of agent training, designed to provide basic information on State Farm deferred life and single premium immediate annuities, income calculation and estate taxation of annuities. No course offerings scheduled pending approval.

L895 - Business Life

This course addresses product knowledge of business life insurance. The course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide general information on business continuity and the use of life insurance in business planning. No course offerings scheduled pending approval.

L395 - Comparing Life/Health Underwriting

This course addresses product knowledge of life and health underwriting. The course is 1 hour of classroom instruction, including ½ hour of agent training, designed to provide basic information on life insurance policies and provisions, the life contract binding receipt, policy ownership and policy provisions. No course offerings scheduled pending approval.

L295 - Medical Underwriting and Ratings

This course addresses product knowledge of medical insurance underwriting and rating. The course is 1 hour of classroom instruction designed to provide basic information on questions asked of medical insurance applicants, underwriting methodologies and the effect of rating. No course offerings scheduled pending approval.

L195 - Legal Aspects of Life Insurance

This course addresses product knowledge of life insurance. The course is 1 hour of classroom instruction, including ½ hour of agent training, designed to provide basic information on life insurance policies and provisions, the life contract binding receipt, policy ownership and policy provisions. No course offerings scheduled pending approval.

C195 - Business Policy

This course addresses product knowledge of business property insurance. The course is 3 hours of classroom instruction, including 1 hour of agent training, designed to provide general information about State Farm Business Policy coverages and exclusions, insured losses coverage extensions, tenancy, optional coverages, deductibles, conditions and income loss. No course offerings scheduled pending approval.

A495 - Auto Underwriting for Total Quality

This course addresses product knowledge of automobile insurance underwriting. The course is 3 hours of classroom instruction, including ½ hour of agent training, designed to provide general information on underwriting guidelines, evaluating potential clients, red flags, fraud and the State Farm Guaranteed Renewable policy. No course offerings scheduled pending approval.

F195 - Insurance to Value

This course addresses product knowledge of dwelling insurance. The course is 2 hours of classroom an videotape instruction, including ½ hour of agent training, designed to provide basic information on evaluating a dwelling to provide adequate insurance coverage. No course offerings scheduled pending approval.

The American College

EDJ (Edward D. Jones) Life Insurance CE Program I

This course addresses product knowledge of life insurance. The course is 6 hours of video teleconference designed to provide in depth information on the life insurance industry, time value of money, economics of life insurance, traditional life insurance products and variations in those products. The first offering of this course is scheduled May 6, 1995.

EDJ (Edward D. Jones) Life Insurance CE Program II

This course addresses product knowledge of life insurance. The course is 6hours of video teleconference designed to provide in depth information on life insurance regulation, ethics, fixed and variable annuities, settlement options and long term care insurance. The first offering of the course is scheduled September 16, 1995.

The Life Underwriter Training Council

The following courses are part of the Life Underwriter Training Council certification program. These offerings are revisions of 1994 offerings.

LAMP '95
Ethics & Market place Practice Review

National Association of Surety Bond Producers (NASBP)

Proactive Underwriting for the 21st Century: Innovative Business Practices to Benefit both Contractor & Surety

This course addresses product knowledge of surety bonds. The course is 1½ hours of classroom instruction designed to provide basic information on insurance packages, dispute resolution, hazardous waste contract clauses and payment rules. The first offering is scheduled April 11, 1995.

Environmental Issues Today

This course addresses product knowledge of environmental bonding. The course is 1½ hours of classroom instruction designed to provide practical information on environmental cleanup, environmental risk and the impact of Superfund amendments. The first offering of the course is scheduled April 11, 1995.

The Challenge of Design-Build

This course addresses product knowledge of surety bonding. The course is 8 hours of classroom instruction designed to provide in depth information on design/build projects, documents, transactions, underwriting considerations, risks and errors and omissions. The first offering of this course is March 24, 1995.

Columbus Life Insurance Co.

Introduction to Life Insurance

This Pictorial course was summarized for the advisory council meeting of June 29, 1994.

National Business Institute, Inc.

Workers' Compensation in Montana

This course addresses product knowledge of workers' compensation insurance. The course is 6½ hours of classroom instruction designed to provide specific information on Montana workers' compensation, obligations, requirements, coverage, participation and claims. The first offering of the course is scheduled May 5, 1995.

Aviation Insurance Association

Aviation Insurance Seminar 5/95

This course addresses product knowledge of property and inland marine insurance. The course is 8 hours of classroom instruction designed to provide specific information on miscellaneous aviation coverages, liability exposures and claims, reviewing contracts, pleasure and business aviation insurance, claims management and loss control, errors and omissions and current product liability. The first offering of this course is April 30, 1995.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for additional Advisory Council review and recommendation.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

The following course requests for approval were not "...filed with the commissioner no less than 60 days prior to the anticipated starting date of the course."

Farm Bureau Life - Iowa

Advanced Marketing Seminar

This course addresses marketing of varied insurance products. The course is 19 hours of classroom instruction, using a seminar format with 9 hours of identified continuing education instruction on charitable use of life insurance, securities-including annuities and farm estate planning. Submitted January 19, 1995 for a February 1, 1995 proposed offering date.

The American Surety Association (TASA)

Specialty Surety School

This course addresses product knowledge of suretyship. The course is 17 hours of classroom instruction designed to provide in depth information on surety underwriting, bond obligations, contractor references, claims handling, escrow, collateral and secondary markets. Submitted January 17, 1995 for a March 8, 1995 proposed offering date.

NAPSLO (National Association of Professional Surplus Lines Offices)

The New NAIC Model Non-admitted Insurers Act: Is it an Improvement?

This course addresses product knowledge of the model non-admitted insurers act. This course is 1 hour of classroom instruction designed to provide basic information on the National Association of Insurance Commissioners model non-admitted insurers act. Submitted January 11, 1995 for a March 3, 1995 proposed offering date.

Risk Retention & Risk Purchasing Groups: Are there alternative Funding Mechanisms in the Wholesalers Future?

This course addresses product knowledge of risk retention groups. This course is 1½ hours of classroom instruction designed to provide general information on risk retention and risk purchasing groups, the legal and regulatory framework for these groups and state licensing requirements. Submitted January 11, 1995 for a March 3, 1995 proposed offering date.

Is Personal Lines a Product for Surplus Lines: Why or why not?

This course addresses product knowledge of surplus lines insurance. This course is 1 hour of classroom instruction designed to provide general information on surplus lines insurance and the market it serves in relation to personal lines insurance, placements, and protecting the buyers through regulation of the industry. Submitted January 11, 1995 for a March 3, 1995 proposed offering date.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

January 11, 1995
Sam W. Mitchell Building -- Room 270
Telephone Conference

Call to order	3:00
Old Business	3:05
Presentation of course summaries	3:10
Public Comment	3:20
Discussion of course summaries	3:35
Council direction to staff	3:45
Administrative Details - Next Meetings	3:55
February 16, 1995 - 3:00 p.m. phone conference April 20, 1995 - 3:00 p.m. phone conference	
Adjourn	4:00

January 10, 1995

Insurance Continuing Education Advisory Council

Conference Call Minutes
January 11, 1995

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Ted Clark, Public Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

No members of the public were present.

Old Business

Arnold read a letter from Randall G. Knowles, Montana Fringe Benefits, attached as Exhibit 1.

Presentation of Course Summaries

Arnold presented the Course Review Summaries, attached as Exhibit 2.

Public Comment

There was none.

Discussion of Course Summaries

Clark made a motion to approve all courses and submit them to the Commissioner. Leenknecht seconded the motion. Motion carried unanimously.

Council Direction to Staff

Arnold provided the council members the following statistics: 946 courses were approved in 1994, 6,230.5 continuing education credit hours were assigned to those courses and there were 165 course providers (sponsoring organizations) offering courses. 30 of those providers submitted over 20 courses each.

There have been over 400 requests for extensions, with half of those from one organization. To date, 28 extensions have been granted.

There are two bills before the legislature that could affect the insurance continuing education program. One bill exempts insurance licensees 70 years or older, in good standing, with 35 years of insurance experience, from continuing education requirements. The other bill has not been released by its sponsor.

Administrative Details - Next Meeting

The next teleconference meetings are set for February 16 and April 20, 1994, at 3:00 p.m.

Bebee made a motion to adjourn. Clark seconded the motion and it was carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - January 11, 1995

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Carrie Martin P.O 559B 59601	M.I.E.F.	(406) 442-9555
Ron Rhodes	STATE FARM	443 0694

Please print

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

The American College

GS 818 Estate and Gift Tax Law and Planning

This course addresses product knowledge of life insurance in estate planning. The course is 60 hours of self-study correspondence instruction designed to provide in-depth information on estate planning, concepts, tools and techniques, taxes, charitable transfers, deductions, valuation, gifts and defining the gross estate. This is an on-going offering.

Montana Association of Life Underwriters

Basic Fundamentals for Financial Review

This course addresses product knowledge of life insurance and annuities. The course is 3 hours of classroom instruction designed to provide specific information on personal investments, including: cash management, life insurance and annuities, financial balancing, asset allocation, qualified and non-qualified plans and estate planning. The first offering is scheduled January 16, 1995.

Pentera Group

Section 403(b) Course

This course addresses product knowledge of Section 403(b). The course is 16 hours of self-study correspondence instruction designed to provide specific information on 403(b) plans, eligibility, nondiscrimination rules, funding vehicles, employer and employee contributions, contribution limitations, tax-deferred accumulation and special rules for life insurance funding. This is an on-going offering.

National Ag Underwriters, Inc.

1995 Crop Insurance Update

This course addresses product knowledge of crop insurance. The course is 6 hours of classroom instruction designed to provide specific information on 1995 federal crop insurance reform and requirements, limitations, policy provisions, policy buy-up, reporting acreage and production history, multi-peril crop insurance and hail insurance coverage deletions. The first offering of this course is February 14, 1995.

Franklin Life Insurance Company

Section 403(b) Plans

This course is summarized above under Pentera Group.

Northstar Insurance Services

Estate Planning: A Life Underwriters Perspective

This course addresses product knowledge and marketing capability of life insurance trusts. The course is 5 hours of classroom instruction designed to provide general information on estate planning, including: adult children's insurance trust, irrevocable life insurance trust, survivorship life insurance, gifts of life insurance, taxation of life insurance proceeds and revocable living trusts. The first offering is scheduled February 22, 1995.

Professional Liability Underwriting Society (PLUS)

The following course is part of the Registered Professional Liability Underwriter certification program. The course is 40 hours of self-study correspondence.

Professional Liability Medical RPLU Part IV

Society of Certified Insurance Counselors

The following courses are part of the Certified Insurance Counselor certification program. All of the courses listed are presented through classroom presentations of 20 hours. The sponsoring organization has requested all 1995 offerings of these courses be approved for Montana continuing education credit.

Mega-James K. Ruble Seminar
Advanced Coverage-James K. Ruble Seminar
Large Commercial-James K. Ruble Seminar

National Endowment for Financial Education (NEFE)

The following course is part of the Certified Financial Planner certification program. The courses are presented through self-study text with a proctored national examination.

Financial Planning Process & Insurance

Redland Insurance Company/American Agrisurance

1995 Spring MPCI (Multi Peril Crop Insurance)/ Reform Update

This course addresses product knowledge of multi-peril crop insurance. The course is 6 hours of classroom instruction designed to provide specific information on 1995 federal crop insurance reform and requirements, changes in Redland crop insurance policies, coarse and small grain policy and replanting provisions, policy buy-up, reporting acreage and production history, and actuarial document review. The first offering of this course is January 30, 1995. in Great Falls.

National Association of Surety Bond Producers

William J. Angell Surety School - Level I

This course addresses product knowledge of contractor surety bonding. The course is 22 hours of classroom instruction designed to provide specific information on contractors' financial statement analysis, work-in-progress and submission to the surety. The first offering of the course is February 6, 1995 in Houston, Texas.

William J. Angell Surety School - Level II

This course addresses product knowledge, ethics and marketing of surety bond underwriting. The course is 30 hours of classroom instruction designed to provide specific information on advanced financial statement analysis, claims, marketing and the code of professional standards. The first offering of this course is February 6, 1995 in Houston, Texas.

National Business Institute

Mastering Real Estate Titles & Title Insurance in Montana

This course addresses product knowledge and ethics of title insurance. The course is 6 hours of classroom instruction designed to provide general information on title searches, foreclosures, basic title principles, the title policy, title defects, multiple representation, property defect disclosure, claims and litigation. The first offering of this course was December 13, 1994 in Helena.

Transamerica Occidental Life Insurance

The following Pictorial course offerings were reviewed and summarized for the Advisory Council December 8, 1994.

Disability Income Concepts
Key Employee
Medicare and Medigap Insurance
Keogh Plans

1995 General Agent's and Manager's Meeting

This course addresses marketing, ethics and product knowledge. The course is 2, 45 minute sections of a two day annual meeting. The course is designed to provided general information on ethical sales practices, legal compliance and integrity, and marketing conduct. This course will be offered January 20, 1995 in Kansas City, Missouri.

Mountain West Farm Bureau Mutual Insurance Company

BOP (Business Owner's Policy) Training Session

This course addresses product knowledge of business owners insurance. The course is 5½ hours of classroom instruction, including 1½ hours of agent training, designed to provide general information on business owner policy provisions, coverages, forms, policy declarations and applications. The first offering of the course was March 28, 1994 in Helena.

Making Life Sales Jump!

This course addresses marketing life insurance products. The course is 4½ hours of classroom instruction designed to provide basic information on life insurance sales, pension maximization and IRA alternatives. The first offering was February 9, 1994 in Billings.

The Life Underwriters Training Council

The following course is part of the Life Underwriter Training Council certification program. The course is presented through classroom presentations in 8 hours. The sponsoring organization has requested all 1995 offerings of these courses be approved for Montana continuing education credit.

Piecing Together the Ethical Puzzle

AALU 1995 Annual Meeting

This course addresses product knowledge and marketing of various life insurance products. The annual meeting includes 12 hours of classroom presentations on various topics, including: family limited partnerships, estate planning for the affluent multi-married client, closely-held dynasty trusts, succession planning, executive long term disability insurance and non-qualified benefits for the mid-sized company. The seminar will be held March 5, 1995 in Washington, D. C.

Human Technology Partnership, Inc.

Qualified Retirement Plans-2nd Edition

This course addresses product knowledge of qualified retirement plans. The course is 16 hours of self-study correspondence, using an authorized Dearborn/R&R Newkirk text, designed to provide specific information on qualified plans, participation, advantages, age requirements, contributions and benefits. This is an on-going offering.

Insurance Sales Illustration Systems Inc. (ISIS)

Creative NYLIC ISIS

This course addresses product knowledge of disability income and whole life insurance. The course is 3¼ hours of computer-based classroom instruction designed to provide basic information and agent training on the operation of the New York Life Insurance Company insurance sales illustration system, and general information on developing illustrations for life, disability and whole life insurance. This is an on-going offering.

Alexander and Alexander, Inc.

Business Income

This course addresses product knowledge of indirect coverages. The course is 8 hours of classroom instruction designed to provide general information on indirect coverages, including: extra expense, leasehold interest, rental value, loss of business income, dependent property coverage and tuition fees. The first offering of the course is March 21, 1995 in Boston, Massachusetts.

Colonial Life and Accident Insurance Company

(Long Term Disability) LTD94 Class

This course addresses product knowledge of Colonial Life & Accident Insurance Company long term disability products. The course is 3 hours of classroom instruction, including 2 hours of agent training, designed to provide basic information on long term disability insurance, target markets, underwriting and claims. The first offering is February 20, 1995.

The New England

Life Insurance and Income, Estate, Gift and Generation-Skipping Taxes

This course addresses product knowledge of life insurance. The course is 2 hours of teleconference designed to provide general information on taxation of life insurance, dividends and withdrawals, deductibility of interest on policy loans, taxation of life insurance purchase plans and qualified plans. The teleconference will be held March 16, 1995.

Lutheran Brotherhood

Health Products Training Coordinator School

This course addresses product knowledge of long-term care insurance. The course is 5½ hours of classroom instruction designed to provide general information on long-term care insurance products and specific information on conducting classes and making presentations. The first offering is February 26,1995.

Talbot Financial Distributors

Indexed Fixed Annuities

This course addresses product knowledge of annuities. The course is 1 hour of classroom instruction designed to provide basic information on traditional, bailout, indexed, maturity driven and market value adjusted annuities. No offerings are scheduled.

Annuities--The Retirement Product of the '90s

This course addresses product knowledge of annuities. The course is 3 hours of classroom instruction designed to provide general information on the history, taxation, types, uses, advantages and disadvantage of annuities. No offerings are scheduled.

Aid Association for Lutherans

Variable Annuity Workshop

This course addresses product knowledge and marketing of annuities. The course is 5 hours of classroom instruction, including 3 hours of agent training, designed to provide specific information about differences between fixed and variable annuities, marketing variable annuities and features of the AAL variable annuity. The first offering is scheduled February 3, 1995.

Pictorial, Inc.

Commercial Auto Coverage

This course addresses product knowledge and marketing capability of commercial auto coverage products. The course is 27 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on coverages, eligibility requirements, covered autos and the three forms of commercial auto coverage. This is an on-going offering.

State Farm Insurance

L795 - Taxation of Life Insurance and Annuities

This course addresses product knowledge of life insurance and annuities. The course is 3 hours of classroom instruction, including ½ hour of agent training, designed to provide basic information on life insurance contracts, policy exchanges, taxation of dividends, non-qualified plans and death benefits. This is an on-going offering.

L695 - Life Policy Beneficiary and Ownership Arrangements

This course addresses product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide basic information on beneficiaries and ownership of life insurance contracts. This is an on-going offering.

L595 - Pay Life Policy

This course addresses product knowledge of life insurance. The course is 1 hour of classroom instruction, including ½ hour of agent training , designed to provide basic information on 10 pay life policy features and provisions. This is an on-going offering.

L495 - Universal Life Insurance Policy

This course addresses product knowledge of universal life insurance. The course is 1 hour of classroom instruction, including ¼ hour of agent training, designed to provide basic information on the features of a universal life insurance policy, payments and premium calculations, and death benefit options. This is an on-going offering.

A195 - Non-Owned Auto Coverage

This course addresses product knowledge of non-owned auto insurance. The course is 1 hour of classroom instruction designed to provide basic information on non-owned cars, including: defining the term, identifying the insured, coverages and restrictions, and the named non-owner policy. This is an on-going offering.

A295 - Miscellaneous Vehicles

This course addresses specialized auto insurance. The course is 1 hour of classroom instruction designed to provided basic information on auto insurance coverage for antique, classic, fit and replica automobiles. This is an on-going offering.

A395 - Added Cars

This course addresses product knowledge of specialized auto insurance. The course is 1 hour of classroom instruction designed to provide specific information on multi-automobile ownership and use, principal drivers, vehicle use and underwriting guidelines. This is an on-going offering.

Rain and Hail Insurance Service, Inc.

Crop Insurance Reform and Annual Update Seminar for Crop Insurance Agents

This course addresses product knowledge of crop insurance. The course is 6 hours of classroom instruction designed to provide specific information on 1995 federal crop insurance reform and requirements, limitations, policy provisions, policy buy-up, reporting acreage and production history, multi-peril crop insurance and hail insurance coverage deletions. The first offering of this course was January 4, 1995.

University of Miami Law Center

29th Philip E. Heckerling Institute on Estate Planning

This course addresses product knowledge of various life insurance and annuity concepts. The seminar is 40 hours of classroom instruction, including 8½ hours of insurance-related continuing education, designed to provide information on partnerships and life insurance, ethics in action and estate planning and divorce. This course was offered January 8, 1995 in Miami, Florida.

Montana Insurance Education Foundation, Inc.

Contracts, Agreements and Additional Insureds

This course addresses product knowledge of insurance contracts. The course is 4 hours of classroom instruction designed to provide specific information on contract content and intent, liability, the insured, hold-harmless agreements, additional insureds, coverages and endorsements. The first offering of this course was December 10, 1994.

Personal Lines Gray Areas

This course addresses product knowledge of personal lines insurance. The course is 4 hours of classroom instruction designed to provide specific information on personal lines coverages, endorsements and overlap with commercial insurance products. The first offering of the course was December 10, 1994.

Contractor's Account Handling

This course addresses product knowledge of general liability insurance coverage. The course is 7 hour of classroom instruction designed to provide specific information on subrogation, contractual liability, installation floaters, indirect loss and property damage. The first offering of this course was December 12, 1994.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

December 8, 1994
Sam W. Mitchell Building -- Room 270
Telephone Conference

Call to order	3:00
Presentation of course summaries	3:05
Public Comment	3:50
Discussion of course summaries	4:25
Council direction to staff	4:40
Administrative Details - Next Meetings	4:50
January 11, 1995 - 3:00 p.m. phone conference	
Adjourn	5:00

December 5, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes
December 8, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Ted Clark, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Ed Eck, Public Member
Bill Bolt, Professional Insurance Agents of Montana Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

A list of others in attendance is attached as exhibit 1.

Presentation of Course Summaries

Arnold went over the Course Review Summaries, Course Review Summaries Addendum 1 and 2. These documents are attached as Exhibits 1, 2 and 3, respectively.

Public Comment

There was no public comment.

Discussion of Course Summaries

The Department was asked to remove the *Montana Fringe Benefits* course, *Montana Insurance Statutes & changes in Montana Statutes and Administrative Rules* until the course provider certifies a qualified instructor for the course. Eck made a motion to withdraw the National Association of Surety Bond Producers course, *Legislation Involvement...This means you.* Boon seconded the motion and it carried unanimously. Bebee made a motion to approve all the courses in the Course Summaries and Addendum 2. Clark seconded the motion and it carried unanimously. Boon abstained on the Montana Independent Agent Insurance and Montana Insurance Education Foundation courses.

Council Direction to Staff

Arnold said all courses submitted prior to December 1, 1994, have been reviewed by the Advisory Council. 479 courses have been assigned credit hours for a total of 3,503.5 hours.

Administrative Details - Next Meeting

The next teleconference meeting is set for January 11, 1994, at 3:00 p.m.

Clark made a motion to adjourn. Boon seconded the motion and it carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - December 8, 1994

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Carrie Martin PO 5593, Helena	MIEF	442-9555
Ron Ashabraner Bx 5357 Helena	STATE FARM	443-0694

Please print

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Shelton Marketing Services, Inc.

Fundamentals of Long Term Care Insurance

This course addresses product knowledge, ethics and marketing capability for long-term care insurance. The course is 7¾ hours of classroom instruction, including a 1 hour monitored examination. The course provides a discussion of long-term care insurance needs, benefits, Medicare and Medicare supplements. Selling long-term care insurance -- individually and in seminars -- is also discussed. The course was presented November 1, 1994.

Montana Land Title Association

Title Convention 1994

This course addresses product knowledge for title insurance. The course is 4 hours of classroom instruction that include presentations of corporations, partnerships, trusts, joint ventures and the consequences each has on title insurance. The course was presented August 20, 1994.

Montana Educational Seminar

This course addresses product knowledge of title insurance. The course is 12½ hours of classroom instruction. The course provides general knowledge about title insurance, the state's regulatory powers, the title insurance process and claims and customer loss. The course was scheduled September 3, 1994.

Land Title Institute--Course I

This course addresses product knowledge of title insurance. The course is self-study text with a monitored examination. The course is compiled for the beginning to intermediate title insurance company employee and designed to provide general knowledge about their field. It is an on-going offering.

Public Road Law

This course addresses product knowledge of title insurance. The course is 6 hours and 10 minutes of classroom instruction designed to provide general knowledge about public roads: their identification, allowable usage, their construction and maintenance and the establishment of public and private easements. The course was offered October 3, 1994 in Circle, Montana.

Easements in Montana -- Law & Practice

This course addresses product knowledge pertaining to easements and their effect on title insurance. The course is 4 hours of classroom instruction. The course is designed to provide title licensees with practical information regarding the law of easements as it relates to grants, reservations and certificates of survey. The course was offered September 30, 1994 in Missoula, MT.

Montana Title Insurance Code and Regulations

This course addresses product knowledge and ethics applicable to title insurance. The course is 2 hours of classroom instruction. The course is designed to provide general information about the history of land title insurance in Montana and the concurrent development of the need for a comprehensive title insurance code. Also addressed are the specific provisions of the Montana Title Insurance Act and the rules and regulations adopted pursuant to the act. The course was offered August 19, 1994 in Polson, MT.

Commonwealth land Title Insurance Company--CLE Seminar

This course addresses product knowledge pertinent to land title insurance. The course is 7 hours of classroom instruction designed to provide in-depth knowledge about 1031 Tax-Deferred Exchanges, easements and title concerns in conjunction with water boundaries and lands covered by water. The course was offered October 20, 1994 in Helena, MT.

John Hancock Mutual Life Insurance Co.

Leading Edge Estate, Business and Executive Compensation Planning Techniques

This course addresses product knowledge of estate and business planning, compensating owners and key executives and limited liability companies. The course is 6 hours of instruction, 3 hours of satellite telecast and 3 hours of self-study using a videotape of that telecast. The telecast focusses on the current developments in each of these three fields and contains a review of the relevant tax issues. Each participant will receive a 55-page handout outlining the issues covered. This course was first offered July 13, 1994.

St. Paul Fire and Marine Insurance, Co.

Increasing Agency Sales, Productivity and Profit

This course addresses marketing capability for insurance agency/broker management. The course is a 6¾ hour seminar which focusses on sales, productivity and profitability and perpetuation. This course was offered November 16, 1994.

Sun Financial Group

Key Executive Benefits

This course addresses product knowledge of executive benefits. The course is 3 hours of classroom instruction about the concepts, principles and operation of deferred compensation, salary continuation plans and executive bonus arrangements, appropriate funding, the utilization of trusts, taxation and ERISA requirements. Course offering to be announced.

Charitable Giving

This course addresses product knowledge of charitable giving. The course is 3 hours of classroom instruction focussing on the definition of a charitable organization, the amount and the tax benefits of charitable deductions and the effective and appropriate use of trusts. Course offering to be announced.

Planning for Retirement

This course addresses product knowledge of retirement planning. The course is 3 hours of classroom instruction designed to teach licensees to analyze a client's financial situation and to determine the options available to that client to meet his/her retirement income goal. Course offering to be announced.

Estate Conservation Techniques

This course addresses product knowledge of estate conservation techniques. The course is 3 hours of classroom instruction designed to increase licensees' knowledge of property ownership, tax planning strategies, trusts and business agreements. Course offering to be announced.

Pictorial, Inc.

1991 Homeowners Coverage

This course addresses product knowledge and management of various homeowners insurance products. The course is 17 hours of self-study text including a 2 hour monitored examination. The course is designed to provide specific knowledge on each of the Homeowners policy forms and their application; the identification of appropriate forms and limits for different insureds; and the location and meaning of policy provisions. This is an on-going offering.

Medicare & Medigap Insurance

This course addresses product knowledge and marketing capability of Medigap insurance. The course is 11 hours of self-study text with a 1 hour monitored examination. The course is designed to provide specific knowledge of those benefits payable under Medicare Parts A and B, the gaps left in Medicare coverage, the possible sources available to cover those gaps and the regulated aspects of selling Medigap insurance. This is an on-going offering.

Introduction to Advanced Markets

This course addresses product knowledge and marketing capability of business life and health insurance. The course is 37 hours of self-study text including review quizzes and a 3 hour monitored examination. The course is designed to provide strategies useful to prospect for new clients, specific knowledge of the forms of business organization and a working knowledge of the various forms of insurance available to business owners. This is an on-going offering.

Interpreting Medical Reports

This course addresses product knowledge necessary to evaluate medical claims. The course is 30 hours of self-study text including a 2 hour monitored examination. The course is designed to provide general knowledge of medical terminology, anatomy and medical conditions. This is an on-going offering.

Medical Tests and Signs

This course addresses product knowledge of medical insurance. The course is 16 hours of self-study text including a 1 hour monitored examination. The course is designed to introduce typical diagnostic tests and signs, provide the general knowledge necessary to understand and use medical reports in the claims settlement process. This is an on-going offering.

Legal Concepts & Doctrines

This course addresses product knowledge and ethics applicable to insurance claims. The course is 8 hours of self-study text including a 1½ hour monitored examination. This course is designed to provide general knowledge about the legal context for insurance claims. It includes an overview of the U.S. court system, the divisions of law, the concept of responsibility for others, contract law and insurance claims in the courts. This is an on-going offering.

Key Employee

This course addresses the marketing capability of key employee insurance. The course is 10 hours of self-study text including a 1½ hour monitored examination. This course is designed to provide the general knowledge necessary to effectively market key employee coverage, to identify the key employees a business should cover and to describe the issues and tax consequences involved in establishing a key employee indemnification plan. This is an on-going offering.

Keogh Plans

This course addresses the product knowledge of Keogh retirement plans for the self-employed. The course is 12 hours of self-study text including a 1 hour monitored examination. The course is designed to provide specific knowledge of the Keogh concept, plan qualification, contributions, tax-advantages, methods of funding and administration. This is an on-going offering.

Disability Income Concepts

This course addresses product knowledge of the provisions of disability income insurance policies. The course is 6 hours of self-study text including a 1 hour monitored examination. The course is designed to provide general knowledge of disability income insurance, its business applications, tax considerations, government disability programs and the underwriting of disability risks. This is an on-going offering.

Workers Compensation Coverage

This course addresses product knowledge and management of insurance coverage for the workplace. The course is 17 hours of self-study text including a 2 hour monitored examination. The course is designed to provide general information on the specific differences and provisions of workers' compensation and employers liabilities insurance. A basic introduction to the historical background and current developments affecting both is also provided. This is an on-going offering.

Time Element Coverage

This course addresses product knowledge of time element coverage. The course is 14 hours of self-study text including a 2 hour monitored examination. The course is designed to introduce the basic concepts and terminology of time element coverages, including business income insurance and extra expense insurance. This is an on-going offering.

Retrospective Rating

This course addresses product knowledge, management and marketing capability for retrospective rating. The course is 14 hours of self-study text including a 2 hour monitored examination. The course is designed to provide specific knowledge about the design, service and marketing of retrospective rating plans. This is an on-going offering.

Residential Construction Basics

This course addresses product knowledge for residential insurance. The course is 18 hours of self-study text including a 2 hour monitored examination. The course is designed to provide the general knowledge of construction nomenclature and basic building techniques necessary to effectively evaluate claims for required repairs or replacement. This is an on-going offering.

Legal Review of Product Liability

This course addresses ethics and the legal basis necessary for managing product liability claims. The course is 10 hours of self-study text including a 1 hour monitored examination. The course is designed to provide general knowledge about the concepts and terminology associated with products liability. Included is also an introduction to the basic purpose and scope of the Consumer Product Safety Act. This is an on-going offering.

Fidelity Investments Institutional Services Co., Inc.

Advanced Applications of Life Insurance

This course addresses product knowledge of life insurance. The course is 18 hours of self-study text with a monitored examination. The course is designed to provide advanced, specific knowledge of life insurance product applications such as business continuation plans, executive compensation, retirement plans, estate planning and life insurance product investments. It is an on-going offering.

Retirement Planning

This course addresses product knowledge and management for life insurance product applications pertaining to retirement planning. The course is 20 hours of self-study text with a monitored examination. The course is designed to provide advanced, specific knowledge of retirement planning opportunities as well as how to analyze retirement income needs. It is an on-going offering.

Corporate Qualified Plans

This course addresses product knowledge of employer-sponsored retirement plans. The course is 1 hour of classroom instruction. The course is designed to provide general knowledge about employer-sponsored retirement plans and the appropriate application of insurance products as funding vehicles for these plans. Course offering to be announced.

Insurance Business Consultants, Inc.

Fraud's Impact on Insurance

This course addresses ethics and product knowledge as they apply to fraudulent insurance claims. The course is 4 hours of classroom instruction. The course is designed to provide general knowledge strategies to recognize fraud and the impact that fraud has upon the insurance system as a whole. This course is to be offered on October 7, 1994 and January 13, 1995.

Anatomy of a Disaster and How to Prepare for the Next One

This course addresses product knowledge and ethics applicable to the special demands disasters place on the insurance industry. The course is 6 hours of classroom instruction designed to provide the knowledge necessary to develop a disaster plan which will allow and agency to effectively respond to the needs of their policy holders if disaster strikes. The course was offered November 11, 1994 in Scottsdale, AZ.

E & O From a Wholesale Insurance Agency Owner's Perspective

This course addresses management and ethics unique to a wholesale insurance agency. The course is 3 hours of classroom instruction. The course is designed to provide general knowledge about the uniqueness of the wholesale insurance agency and the insurance delivery system; the contractual obligations they have both to the retail licensee, the companies they represent and the insureds; and, finally, their potential vulnerability to error and omission exposures. This course is scheduled to be first offered February 10, 1995 in Santa Fe, NM.

Personal Lines Seminar

This course addresses product knowledge of personal lines insurance policies. The course is 12 hours of classroom instruction. The course is designed to provide wholesale agency employees with technical knowledge of the insurance policies they provide for the insuring public. Products addressed include different homeowners policies and supplements to those policies for high-value items which are not automatically covered. The course is scheduled to be offered March 28-29, 1995 in Englewood, CA.

VESCORP

Video Seminar for General Securities, Mutual Funds, Retirement Plans, Annuities and Securities Regulations

This course addresses product knowledge and management of insurance-related products. The course is 28 hours of self-study videotape and requires that all students take and score at least 70 percent on the NASD examination. The course is designed to provide general information on how securities are used in insurance-related products; how variable and fixed annuities differ; and how investment companies operate. This is an on-going offering.

Farmers Insurance Group

A.C.S.--Apartment & Condo Insurance

This course addresses product knowledge, management and marketing capability for apartment and condo insurance. The course is 4½ hours of classroom instruction. The course is designed to provide general knowledge of the marketing, underwriting, loss control and rating applicable to apartment and condo insurance. This is an on-going offering.

A.C.S.--Workers'Compensation Insurance

This course addresses product knowledge, management and marketing capability for workers' compensation insurance. The course is 4½ hours of classroom instruction. The course is designed to provide general knowledge of the marketing, underwriting, loss control and rating applicable to workers' compensation insurance. This is an on-going offering.

A.C.S.--ContractorsInsurance

This course addresses product knowledge, management and marketing capability for contractors insurance. The course is 4½ hours of classroom instruction. The course is designed to provide general knowledge of the marketing, underwriting and rating applicable to contractors insurance. This is an on-going offering.

A.C.S.--Farm & Ranch Insurance

This course addresses product knowledge, management and marketing capability for farm and ranch insurance. The course is 4½ hours of classroom instruction and is designed to provide general knowledge of the marketing, underwriting and rating applicable to farm and ranch insurance. This is an on-going offering.

A.C.S.--GaragePlan Insurance

This course addresses product knowledge, management and marketing capability for garage plan insurance. The course is 4½ hours of classroom instruction and is designed to provide general knowledge on the marketing, underwriting, loss control and rating associated with garage plan insurance. This is an on-going offering.

A.C.S.--Risk Selection & Agency Operations

This course addresses product knowledge, management and marketing capability for insurance licensees. The course is 5½ hours of classroom instruction. The course is designed to provide general knowledge about the aspects of risk selection and agency operation, including marketing, the underwriting process, pricing for profit, the use technology and loss control. This is an on-going offering.

Customer Service Representative Seminar

This course addresses product knowledge for customer service representatives. The course is 13 hours of classroom instruction. The course is designed to provide customer service representatives an overview of the various aspects of the insurance business, including underwriting, financial management, licensing, claims and policies. This is an on-going offering.

CSTP II--Regional Commercial School

This course addresses product knowledge and management regarding commercial insurance. The course is 20 hours of classroom instruction. It is designed to provide general knowledge on those areas of commercial operation where insurance coverage is needed. Also addressed are the issues of policy service, underwriting and the use of computer rating. This is an on-going offering.

FFUL Contract

This course addresses product knowledge regarding life insurance. The course is 30 minutes of classroom instruction and 3 hours of licensee training. The course is designed to instruct licensees in all aspects of the Farmers Flexible Universal Life contract. The course will be offered at various times.

Farmers Premier 50+

This course addresses product knowledge and management relevant to Farmers Premier 50+ insurance policy. The course is 2¼ hours long and consists primarily of licensee training designed to provide specific knowledge about the policy, its provisions, costs, riders and benefits. The general rules of underwriting are also covered. The course will be offered at various times.

Business Life

This course addresses product knowledge of business life insurance. The course is 4½ hours of classroom instruction designed to provide general knowledge on key person insurance, business continuation or liquidation, split dollar funding, bonus plans, IRAs and simplified employed pension plans. The course will be offered at various times.

Estate Planning

This course addresses product knowledge and management relevant to estate planning and life insurance. The course is 4 hours of classroom instruction designed to provide general knowledge about determining estate growth, calculating and funding federal taxes and evaluating the need for disability insurance. The course will be offered at various times.

Auto Policy Processing System

This course addresses product knowledge pertinent to automobile insurance. The course is 2¾ hours of classroom instruction designed to provide the knowledge necessary to effectively and efficiently process automobile insurance policies.

Minnesota Mutual

ATA School

This course addresses ethics, product knowledge, management and marketing capability for licensees new to the industry. The course is 35½ hours of interactive classroom instruction. The course is designed to provide general knowledge about the insurance industry and how to manage a client's basic life, disability and pension/annuity needs. This course was offered October 16-20, 1994.

Market Development School

This course addresses product knowledge and management for estate and business planning markets. The course is 33¾ hours of interactive classroom instruction. The course is designed to provide general knowledge about estate and business planning markets. This course was offered November 6-20, 1994.

Advanced Marketing Specialist School

This course addresses product knowledge, ethics and management for estate and business planning markets. The course is 31 hours of interactive classroom instruction designed to provide specific, in-depth knowledge of estate and business planning technicalities and issues. This course was offered October 9-13, 1994.

Advanced Marketing Summit

This course addresses product knowledge and management for the insurance needs of small businesses and more complex estates. The course is 19 hours of interactive classroom instruction designed to provide specific, advanced knowledge about the technical aspects of insurance vehicles suitable for those situations. This course was offered October 6-8, 1994.

Beneficial Life Insurance Company

Advanced Sales Seminar

This course addresses product knowledge and marketing capability of financial and estate planning. The course is a 7 hour seminar designed to expand an licensees general knowledge, skills and professionalism about various aspects of financial and estate planning. This course was offered October 3, 1994.

Central Life Assurance Company

Challenges Facing Today's 401(k) Sponsor

This course addresses product knowledge and marketing capability as they apply to the 401(k) plans. The course is 1 hour of classroom instruction which is designed to provide basic information about the new regulation regarding fiduciary liability, low plan participation, ADP test failure and problems with plan administration. This course was offered October 4, 1994.

Ethics

This course addresses ethics in unclear sales situations. The course is 1 hour of classroom instruction which incorporates a round-table discussion. The course is designed to provide insight into the ethics of insurance sales by presenting sales situations that pose ethical dilemmas and discussing possible, realistic solutions. This course was offered October 2, 1994.

FNA3 and BEAR3

This course addresses product knowledge of annuities and life and disability insurance. The course is 2 hours of classroom instruction designed to provide an introduction to the use of FNA3 and BEAR3 software for generating specific needs-based reports for clients in the above areas. This course was offered October 3, 1994.

Introduction to the Business Market

This course addresses product knowledge in the business market. The course is 1 hour of classroom instruction. It is designed to provide general knowledge of the effect of recent legislation on the business market along with an overview of current activity in the market. This course was offered October 4, 1994.

Deferred Compensation

This course addresses product knowledge of non-qualified plans. The course is 2 hours of classroom instruction designed to provide general knowledge of the current state of the marketplace with respect to non-qualified plans. Points of discussion are true deferral plans, supplemental income plans, the value of permanent life insurance to fund these plans, the types of businesses for which non-qualified plans make sense and taxation and accounting aspects. This course was offered October 4, 1994.

Individual and Small Employer Retirement Plans

This course addresses product knowledge of retirement plans for the individual and small employer. The course is 1 hour of classroom instruction designed to provide general knowledge about IRAs, SEPs (simplified employee pensions), profit sharing and money purchase pension plans. This course was offered October 4, 1994.

Creative Third-Party Ownership of Life Insurance

This course addresses product information about the possibilities of third-party ownership of life insurance. The course is 1½ hours of classroom instruction designed to provide general knowledge about Irrevocable Life Insurance Trusts, Survivorship Life, Wealth Replacement Trusts and life insurance in the Educational Funding Plan. This course was offered October 4, 1994.

The Nuts and Bolts of Financial Planning

This course addresses product information and marketing capability for life insurance. The course is 2 hours of classroom instruction designed to provide general knowledge on interviewing clients, identifying their financial planning needs and designing a financial package to meet those needs. This course was scheduled October 4, 1994.

Annuity Concepts

This course addresses product knowledge of annuity concepts in life insurance. The course is 2 hours of classroom instruction designed to give general information on a variety of annuity issues such as alternative ways to calculate Minimum Required Distributions from qualified plans and the mechanics and tax consequences of using an annuity as a source of premiums for a life policy. This course was offered October 4, 1994.

Estate PAC-Intro to Success

This course addresses product knowledge of estate planning. The course is 1 hour of classroom instruction designed to provide an overview of basic estate planning concepts such as the marital deduction, unified credit/exemption equivalent trust, irrevocable trust and basic gifting rules. This course was offered October 3, 1994.

Estate Planning Concepts

This course addresses product knowledge of estate settlement costs. The course is 2 hours of classroom instruction. It is designed to provide general knowledge of the concept and tools used in minimizing estate settlement costs as well as the most efficient method for paying such costs. This course was offered October 3, 1994.

Retirement Planning

This course addresses product knowledge and management of retirement planning. The course is 2 hours of classroom instruction. It is designed to provide general knowledge about retirement planning solutions and limitations in the workplace as well as personal retirement planning options. This course was offered October 4, 1994.

Clone Funds: Identical or Fraternal Twins

This course addresses product knowledge of mutual and variable annuity/life funds. The course is 1 hour of classroom instruction. Through the discussion of myths, realities and their overlooked differences, the course is designed to provide general knowledge about clone funds as well as the ability to identify and compare them. This course was offered October 3, 1994.

Professional Benefit Trust

This course addresses product knowledge of professional benefit trust plans. The course is 2 hours of classroom instruction designed to provide general knowledge about the details of qualification, type of client and market application and all material tax matters. This course was offered October 4, 1994.

Long-Term Care Insurance

This course addresses marketing capability and product knowledge. The course is 1 hour of classroom instruction. It is designed to provide a general knowledge of the factors contributing to the increased need for private long-term care insurance as well as general knowledge of long term care insurance features. This course was offered October 4, 1994.

Product Illustration

This course addresses marketing capability for an insurance product. The course is 1 hour of classroom instruction and is designed to provide an awareness and general knowledge of dividends and how companies price insurance products. This course was offered October 3, 1994.

Disability for Business

This course addresses product knowledge surrounding the area of disability insurance for business. The course is 1 hour of classroom instruction. It is designed to provide the general knowledge necessary to identify business owners and their employees who would have a financial problem if one or more of them became sick or hurt. Also provided is general knowledge about identifying the appropriate disability policy for the business type and size. This course was offered October 3, 1994.

Building the Right Retirement Plan for Your Company

This course addresses product knowledge about company retirement plans. The course is 2 hours of classroom instruction designed to provide general knowledge about the reasons a company should have a retirement plan, the different types of plans available, their tax advantages and funding options for those plans. This course was offered October 3, 1994.

KMS Corporation

Funding Strategies for Shareholder Agreements

This course addresses product knowledge and management of buy-sell agreements in business. The course is 2 hours of classroom instruction. It is designed to provide the insurance professional with general knowledge of ten strategies that can be used to fund buy-sell agreements for privately owned businesses. This course was offered October 7, 1994.

Estate Planning: The Big Mistakes

This course addresses product knowledge and management of estate planning. The course is 2 hours of classroom instruction. It is designed to provide the insurance professional with specific knowledge of common planning mistakes that need to be avoided in structuring insurance and estate planning programs for clients. This course was offered October 7, 1994.

FBL Education Services

Basic Estate Planning

This course addresses product knowledge regarding estate planning and life insurance. The course is 3 hours of classroom instruction designed to provide general knowledge of the various aspects of basic estate planning as it relates to the life insurance industry. This course was offered September 15 and 16, 1994.

All American Life Insurance Company

Retirement Planning

This course addresses retirement planning product knowledge and management. The course is a 2 hour seminar designed to provide general knowledge about the fundamentals of retirement planning and the many options available when considering retirement goals. This course was offered October 3, 1994.

Federal Estate and Gift Taxation

This course addresses product knowledge and marketing capability regarding federal gift and estate taxation. The course is a 2 hour seminar. The course is designed to provide general knowledge of the principles of life insurance in federal gift and estate taxation. This course was offered October 3, 1994.

Universal Pensions, Inc.

Basic IRA Operations

This course addresses product knowledge of IRAs. The course is a 6 hour seminar. It is designed to provide specific knowledge on the function and popularity of IRAs as wells as the compliance issues, eligibility rules and the procedure for handling IRA rollover and transfer activity. This course was scheduled for November 7, 1994.

Independent Insurance Agents' Association of Montana, Inc.

State and National Issues Forum

This course addresses product knowledge applicable to various insurance products. The course is 2 hours of classroom instruction, including a 20 minute question and answer period. The course is designed to provide general knowledge about current state and federal issues facing insurance licensees and consumers. The course was offered August 16, 1994.

Commercial Property Gray Areas

This course addresses product knowledge about potential coverage gaps in commercial property insurance. The course is 3 hours of classroom instruction. It is designed to provide the general knowledge necessary to identify those areas and to devise solutions which ensure proper coverage. The course was offered August 15, 1994.

Montana Insurance Education Foundation, Inc.

Montana Law and Administrative Rules Seminar

This course addresses product knowledge and ethics as they apply to compliance with Montana statute and administrative rules. The course is 2 hours of classroom instruction designed to provide general knowledge about the changes in Montana statute and administrative rules. The first offering of this course is scheduled for August 17, 1994.

Coverage Gaps -- Personal Lines

This course addresses product knowledge applicable to personal lines coverage. The course is 3 hours of classroom instruction designed to provide specific knowledge about those areas in personal lines coverage forms where coverage gaps are most likely to occur. Some of the areas addressed are the resident employee, vacant land, the home office and the student away at school. The course was first offered September 27, 1994.

Coverage Gaps -- Personal Lines

This course addresses product knowledge applicable to personal lines coverage. The course is the same as the above course, but involves 4 hours of classroom instruction. The additional hour will be used to cover additional coverage gap items. The course was first offered September 28, 1994.

Coverage Gaps -- Commercial Lines

This course addresses product knowledge applicable to commercial lines coverage. The course is 3 hours of classroom instruction designed to provide specific knowledge about those areas in commercial lines coverage where coverage gaps are most likely to occur. Some of the areas addressed are leased property, improvements and betterments, contractual liability and directors and officers. The course was first offered September 27, 1994.

Coverage Gaps -- Commercial Lines

This course addresses product knowledge applicable to commercial lines coverage. The course is the same as the above course but involves 4 hours of classroom instruction. The additional hour will be used to cover additional coverage gap items. The course was first offered September 28, 1994.

Personal Lines Endorsements

This course addresses product knowledge applicable to homeowners and automobile insurance. The course is 6 hours of classroom instruction. The course is designed to provide in-depth knowledge of key endorsements to homeowners and automobile policies and their use. Coverage gaps in policies which these endorsements can plug will also be discussed. The course was first offered October 17, 1994.

Business Income: What You Need to Know

This course addresses product knowledge applicable to business income insurance. The course is 4 hours of classroom instruction designed to provide general knowledge about the various types of businesses and the provisions, common endorsements and coverages in a business income insurance policy. Instruction on completing a business income worksheet is also provided. The course was offered November 15, 1994 in Billings, MT.

Commercial Property Gray Areas and Coverage Gaps

This course addresses product knowledge applicable to the insurance coverage of commercial property. The course is 3 hours of classroom instruction. The course is designed to provide in-depth knowledge of specific areas of commercial property insurance where coverage gaps are most likely to occur. Some of the areas addressed are outdoor fixtures vs. outdoor property, appliances, personal property of others, property off premises and pollution cleanup. The course was first offered November 15, 1994 in Billings, MT.

Homeowners Coverages

This course addresses product knowledge applicable to homeowners insurance. The course is 6 hours of classroom instruction designed to provide general knowledge about the eligibility requirements, definitions, coverage provisions and endorsements often present in a homeowners contract. This course was first offered December 1, 1994.

Colonial Life & Accident Insurance Company

National Management Conference

This course is comprised of three workshops which address one, marketing capability in new markets for insurance products; two, ethics of the manager's role in market conduct; and three, product knowledge of disability insurance products. In total, the workshops are 3 hours of classroom instruction and 1½ hours of agent training. Combined, the workshops are designed to provide general knowledge on the following: the use of target marketing to increase sales; the issues of market conduct and risk currently facing the insurance industry; and the disability products in Colonial's portfolio. The conference was held September 25-29, 1994 in Columbia, SC.

The Life Underwriter Training Council

Top of the Table 1994 Meeting

The following courses are part of the Life Underwriter Training Council's Top of the Table 1994 Annual Meeting. Unless otherwise specified, each course consists of 1 hour of classroom instruction and was presented October 13-15, 1994.

Use of Animated Graphics
Estate Planning for Multi-Marrieds
Annuities
Too Early, Too Late, Too Little
The 21st Century Agent
Estate Planning
Covering your Overhead
Corporate Benefit Took Kit
2001 Continued
More Millions by the Gallo
Double Tax Buy Sell vs. Tax Deductible Buy Sell
What's New & What's Left (2 hrs)
Problems--Tools--Solutions (2 hrs)

Professional Liability Underwriting Society

RPLU Part V--Directors & Officers

This course addresses product knowledge, management, ethics and marketing capability in reference to liability insurance. The course is 40 hours of self-study text with a monitored examination. The course is designed to provide in-depth technical knowledge about underwriting, risk management, legal aspects, claims review and marketing/sales in the field of professional liability insurance. It is an on-going offering.

ClienTell

Skandia Leaders College Charitable Remainder Trust

This course addresses product knowledge and ethics applicable to the area of charitable remainder trusts. The course is 24 hours of self-study text with a monitored examination, 3½ hours are dedicated to agent training. The course is designed to provide basic knowledge about charitable giving in general and in-depth knowledge about charitable remainder trusts, their use and regulation. It is an on-going offering.

Skandia Annuity Continuing Education Course

This course addresses product knowledge and marketing capability in reference to annuities. The course is 3 hours of classroom instruction. The course is designed to provide general knowledge of the various annuity products currently available. The tax advantages of annuity products and methods of structuring and marketing annuity contracts will also be addressed. This course will be offered December 21, 1994.

Skandia's Principles of Portfolio Theory--Variable Management Performance

This course addresses product knowledge and management of variable annuity products. The course is 2½ hours of classroom instruction with 30 minutes of agent training. The course is designed to provide general knowledge about the substance and possible application of the plethora of investment data currently available to financial planners. The first offering of this course has yet to be scheduled.

Variable Universal Life

This course addresses product knowledge of variable life insurance products. The course is 3 hours of classroom instruction. The course is designed to provide general knowledge about the structure of variable life insurance products, their funding, their use and their place within the life insurance field. The course was offered November 7, 1994.

National Association of Professional Insurance Agents

Workers' Compensation--Alternative Mechanisms and the Interstate Dilemma

This course addresses product knowledge and ethics applicable to the area of workers' compensation. The course is 1½ hours of classroom instruction in a seminar format. It is designed to provide general knowledge on the identification and evaluation of workers' compensation alternatives as well as key legal issues and client expectations. This course was offered October 11, 1994.

Required Accounting and Tax Practices for Agencies

This course addresses product knowledge and ethics of accounting and tax practices. The course is 1½ hours of classroom instruction in a seminar format. The course is designed to provide specific knowledge pertaining to accounting standards being considered and/or adopted by the Federal Accounting Standards Bureau and their concomitant insurance agency compliance procedures. This course was offered October 11, 1994.

Health-Care Reform--What Every Agency Owner Needs to Know

This course addresses product knowledge of health and property/casualty insurance within the context of health-care reform. The course is 1½ hours of classroom instruction in a seminar format. It is designed to provide general knowledge of the key issues driving health-care reform and their effects on both health and property/casualty insurance transactions and coverages. The course was offered October 11, 1994.

Advanced Course I

This course addresses product knowledge pertinent to homeowners and personal automobile insurance. The course is 7 hours of classroom instruction. The course is designed to provide technical knowledge of the major homeowners and automobile policy endorsements, their language and intended use. It also addresses strategies by which those insurance products can be customized to fit the individual client. Course offering to be announced.

Staeheli Seminars

Business Insurance Concepts

This course was reviewed for the Insurance Continuing Education Advisory Council Meeting February 4, 1994. The course text and exam are products of Pictorial, Inc.

SAFECO Insurance Company

SAFECO Review & Recharge

This course addresses product knowledge of automobile and homeowners insurance. The course is 6½ hours of classroom instruction designed to provide general knowledge about underwriting automobile and homeowners' policies and insuring those homes to value. The course was offered September 22, 1994.

Great West Casualty Company

Advanced Topics Educational Seminar

This course addresses product knowledge and marketing capability relative to the truck insurance industry. The course is 12 hours of classroom instruction designed to provide specific knowledge about claims, safety, marketing and trucking industry issues. This course was offered October 20-21, 1994.

The Council of Insurance Agents & Brokers

Directors & Officers, Fiduciary Liability and Employment Practices Liability

This course addresses product knowledge in the field of Directors & Officers, fiduciary liability and employment practices liability. The course is 3 hours of classroom instruction designed to provide general knowledge on the negotiable aspects in the above areas. This course was conducted September 30, 1994.

Solving the Additional Insured Issues

This course addresses product knowledge connected with the use of "additional insured" wording. The course is 3 hours of classroom instruction. The course is designed to provide general knowledge enabling the recognition of additional insured situations and the identification of alternative insurance policy wording options. The course of conducted September 30, 1994.

American Institute for CPCU/Insurance Institute of America

AIS 25--DeliveringInsurance Services

This course addresses management and marketing capability for the insurance personnel. The course is self-study text with a national essay exam. The course is designed to provide an introduction in the principles of total-quality management and general knowledge about how those principles apply to insurance situations. This is an on-going offering.

IDS Financial Services

Fundamentals of Qualified Plans

This course addresses product knowledge pertaining to qualified plans. The course is 17 hours of self-study text with a monitored examination designed to provide an in-depth knowledge of the components, provisions, use and limits of qualified plans. This is an on-going offer.

1994 Advanced Planner Development Conference

All of the courses below are conducted as a part of the 1994 Advanced Planner Development Conference which is scheduled for the following dates: October 27-30 in Atlanta, GA; November 10-13 in Monterey, CA; November 17-20 in Pittsburgh, PA; and December 1-4 in Dallas, TX.

IN101--Market Cycles and the Economy

This course addresses marketing capability of all insurance products. The course is 2 hours of classroom instruction designed to provide general knowledge on the nature of market cycles and the effect that economic changes have on markets.

IN104--Investment Product Positioning

This course addresses management in various investment products. The course is 2 hours of classroom instruction designed to provide general knowledge on how a client's needs are best met using mutual funds, annuities, certificates, etc.

IN107--Tax Advantaged Investment Strategies

This course addresses product knowledge and marketing capability relating to tax beneficial investment products. The course is 2 hours of classroom instruction designed to provide general knowledge about maximizing tax-favored investments and savings products.

IN109--Blazing New Trails in Real Estate

This course addresses product knowledge and management relating to real estate investment. The course is 2 hours of classroom instruction designed to provide general knowledge on the use of real estate in a well-diversified portfolio.

IN110--International Investing

This course addresses product knowledge applicable to international investments. The course is 2 hours of classroom instruction designed to provide the basic knowledge necessary to understand the nature of foreign markets and investments.

IN114--Income Portfolio Strategies

This course addresses product knowledge and management for income portfolio strategies. The course is 2 hours of classroom instruction. It is designed to provide general knowledge about structuring income-generating portfolios as opposed to accumulation-oriented portfolios.

IN202--Advanced Asset Allocation--Ensuring Quality Asset Allocation Analysis

This course addresses product knowledge and management of portfolios. The course is 2 hours of classroom instruction designed to provide specific knowledge in consistently achieving quality of asset allocation analyses.

EP101--Introduction to Estate Planning

This course addresses product knowledge in estate planning. The course is 4 hours of classroom instruction. The course is designed to provide general knowledge of basic estate planning concepts and planning and product opportunities.

EP102--No Planning Traps

This course addresses product knowledge in estate planning. The course is 4 hours of classroom instruction and a continuation of EP101--Introduction to Estate Planning. The course is designed to provide further general knowledge of basic estate planning concepts and planning and product opportunities.

EP103--Introduction to Estate Planning for the Business Owner

This course addresses product knowledge in estate planning for the business owner. The course is 4 hours of classroom instruction. The course is designed to provide general knowledge of basic estate planning concepts, planning and product opportunities for the business owner.

EP104--Comprehensive Case Study--Advanced Financial Planning Case

This course addresses product knowledge in estate planning and management. The course is 4 hours of classroom instruction. The course focuses on one case study and is designed to provide a venue in which general knowledge on basic estate planning issues, opportunities and product application can be practically applied and refined.

EP201--Estate Planning--Advanced Charity Gifting Strategies

This course addresses product knowledge applicable to charitable gifting. The course is 4 hours of classroom instruction designed to provide general knowledge of advanced techniques of structuring trusts and the applicable tax laws. A general review of charitable giving is also included.

EP202--Advanced Estate Planning Concepts for the Wealthy

This course addresses product knowledge relevant to estate planning. The course is 4 hours of classroom instruction. It is designed to provide general knowledge about such techniques as estate freezing, discounting gifts, qualified residential trusts, offshore assets, protection trusts and dynasty trusts.

EP203--International Estate Planning

This course addresses product knowledge of estate planning. The course is 2 hours of classroom instruction. The course is designed to provide general knowledge of basic international estate planning concepts such as qualified domestic trusts, marital deduction planning for property transferring to a non-citizen spouse and resident aliens and U.S. citizens.

EP204--Business Succession and Estate Planning

This course addresses product knowledge associated business estate planning. The course is 4 hours of classroom instruction. The course is designed to provide general knowledge about strategies which address business succession and estate planning. Some, but not all, of the topics addressed are liquidity needs at death, buy-sell planning and business succession and grantor retained income trusts.

EP205--Advanced Estate Planning Case Study

The course addresses product knowledge and management for estate planning. The course is 2 hours of classroom instruction. The course focuses on one case study and is designed to provide a venue in which general knowledge on advanced estate planning issues, opportunities and product application can be practically applied and refined.

EP301--Retirement Plan Distributions and Estate Planning

The course addresses product knowledge of retirement and estate planning. The course is 4 hours of classroom instruction. The course is designed to provide general knowledge about such technical topics as qualified plans beneficiary designations, funding unified credit amounts, qualified plan distributions and their effects on income tax deferral at death.

EP302--Partnership and Estate Planning

The course addresses product knowledge applicable to partnerships and estate planning. The course is 4 hours of classroom instruction. The course is designed to provide general knowledge about the specific circumstances and options of estate planning when a partnership is involved.

EP351--Corporate Trustee and It's Uses

This course addresses product knowledge of the issues surrounding the role of corporate trustee in estate planning. The course is 2 hours of classroom instruction. It is designed to provide general knowledge about the selection process of a trustee; and the definition, advantages, misconceptions and added value of a corporate trustee to an estate.

EP253--Personal Trust Certification

This course addresses product knowledge, ethics and marketing capability associated with personal trust services and estate planning. The course is 6 hours of classroom instruction designed to provide general knowledge about the special issues, products, services and regulation of the role of personal trustee.

RP102--Senior Health Care Protection Planning

This course addresses marketing capability and product knowledge about senior health-care insurance. The course is 2 hours of classroom instruction designed to provide general knowledge about the products available for health-care protection for the older client. Topic areas specifically addressed are the retirement markets, acute care and long-term care.

RP103--Management Risk Through Pre-Retirement

This course addresses product knowledge and management of life, disability and long term care insurance. The course is 2 hours of classroom instruction designed to provide general knowledge about bridging a client's life-stages through protection.

RP104-Creative Uses of the Private Pension Plan

This course addresses product knowledge, management and marketing capability of the private pension in retirement planning. The course is 2 hours of classroom instruction. It is designed to provide general knowledge about the definition, use, taxation and target markets for private pension plans.

RP105--Capital Transfer

This course addresses product knowledge and marketing capability of insurance products in retirement planning. The course is two hours of classroom instruction. It is designed to provide general knowledge on the use of insurance as a technique to transfer assets to heirs effectively while maintaining investment qualities for the client.

RP106--Pension Maximization

This course addresses product knowledge of retirement income options. The course is 2 hours of classroom instruction. It is designed to provide general knowledge about those retirement income options available to most retirees, the Revenue Act of 1984 and its impact on retirement benefits and alternative solutions to retirement income options.

RP107--Triple Edged Sword of Taxation

This course addresses product knowledge of qualified plans. The course is 2 hours of classroom instruction. It is designed to provide general knowledge about the tax disadvantages of qualified plans at death. The course addresses income, excise and estate taxes due upon death and possible solutions to these taxes.

RP111--Understanding Your Client's Employer Benefits

This course addresses product knowledge of employer benefit plans. The course is 4 hours of classroom instruction. The course is designed to provide general knowledge about the common parameters and features of employer benefit plans. Topics of discussion will include Cafeteria Plans, retirement plans, Social Security and employee options at various stages of employment.

RP202--LTC...A Threat to Even the Best Laid Plans

This course addresses product knowledge and marketing capability of long-term-care insurance. The course is 2 hours of classroom instruction designed to provide general knowledge about mature market trends and long-term care insurance and financial planning techniques.

RP203--Advanced Distributions From Retirement Programs

This course addresses product knowledge of retirement programs and qualified plans. The course is 4 hours of classroom instruction. It is designed to provide in-depth knowledge of the various distribution options which may be available inside qualified planes. Some of the topics to be discussed are rollovers to IRAs, in service withdrawals, death distributions and forward averaging.

WP101--Key Planner Tasks in Business Markets

This course addresses marketing capability for business insurance products. The course is 4 hours of classroom instruction. The course is designed to provide general knowledge of marketing techniques and business decision-making processes.

WP107--Employee Compensation Protection Planning

This course addresses product knowledge of disability income protection. The course is 2 hours of classroom instruction designed to provide general knowledge about employer provided benefit plans, their taxation and group long-term disability plans.

WP109--Marketing Qualified Plans to Small Business Owners

This course addresses marketing capability of qualified plans to small business owners. The course is 4 hours of classroom instruction. It is designed to provide general information about prospecting, matching plans to prospects' objectives, preparing spreadsheet analyses and quality plan technicality.

WP110--Salary Deferral Retirement Plans

This course addresses product knowledge of salary deferral retirement plans. The course is 4 hours of classroom instruction designed to provide general information on programs that provide greater benefits because of employee contribution. Specific programs addressed are SARSEPS and 401(k) plans.

WP112--The 403(b) Fundamentals

This course addresses product knowledge and marketing capability for retirement plans. The course is 2 hours of classroom instruction. It is designed to provide in-depth information on 403(b) plans and how to use that information to increase sales.

WP202--Group Insurance

This course addresses product knowledge and marketing capability of group health and group disability insurance to business owners. The course is 2 hours of classroom instruction. It is designed to provide general knowledge about the available products, about prospecting, proposing and presenting procedures and about "cross-sale" opportunities.

WP205--Executive Benefits I

This course addresses product knowledge and marketing capability of executive benefit plans. The course is 4 hours of classroom instruction. The course focuses on providing general information about products which can provide pre- and post-retirement income to selected and/or highly compensated employees.

WP206--Split Dollar Funding Arrangements

This course addresses product knowledge and marketing capability of split dollar funding for life insurance and executive benefit plans. The course is 4 hours of classroom instruction. The course is designed to provide detailed technical knowledge of split dollar funding techniques, their tax implications and their presentation in a sales context.

WP207--Executive Benefits II

This course addresses product knowledge and marketing capability of executive benefit plans. The course is 4 hours of classroom instruction. The course is designed to provide specific knowledge about a number of business planning approaches used to provide retirement benefits to highly compensated employees.

WP208--Employee Benefit Statements

This course addresses product knowledge and marketing capability of employee benefit statements and policies. The course is 4 hours of classroom instruction designed to provide licensees with the knowledge necessary to generate personalized statements for each employee, outlining the entire benefit package provided by the employer.

WP209--Marketing Retirement Plans to Larger Companies

This course addresses marketing capability in regard to retirement plans. The course is 4 hours of classroom instruction designed to provide general knowledge on prospecting, effective marketing techniques, proposal drafting and competitors of retirement plans for companies with 100 to 750 employees.

WP210--Complex Issues in Retirement Plans

This course addresses product knowledge of retirement plans. The course is 4 hours of classroom instruction designed to provide general knowledge about advanced plan design and special situations related to many retirement plans. Some of the situations addressed include self-employment calculations, monitored groups, family aggregation, prohibited transactions and age-based plans.

WP212--Group Client Acquisition the 403(b) Way

This course addresses product knowledge and marketing capability in relation to 403(b) retirement plans. The course is 2 hours of classroom instruction. The course is designed to provide general knowledge about available salary-deferral and employer-sponsored 403(b) plans and their features. The course also provides general knowledge about capitalizing on educational and non-profit employers' need to sponsor a 403(b) retirement plan.

WP213--Opportunities Created By Tax Law Changes

This course addresses product knowledge as the recent changes in tax laws apply to insurance and financial planning products. The course is 2 hours of classroom instruction. The course is designed to provide general knowledge about the substance, the effects of the new regulations and the opportunities that they create.

WP301--Application of Advanced Retirement Plan Concept

This course addresses product knowledge and marketing capability applicable to advanced issues in retirement plans. The course is 4 hours of classroom instruction. The course is designed to provide general knowledge about all types of retirement plans by using in-depth case analysis, developing alternatives and competitor reviews.

WP305--Reverse Split Dollar

This course addresses product knowledge of business benefits planning. The course is 4 hours of classroom instruction. It is designed to provide detailed knowledge of approaches to use to help business owners transfer funds from corporate ownership to personal ownership with minimal income tax liability.

WP306--Advanced Business Planning Case Study

This course addresses product knowledge relevant to business benefits planning. The course is 4 hours of classroom instruction. The course focuses on one case study and is designed to provide a venue in which general knowledge on advanced business planning issues, opportunities and product application can be practically applied and refined.

Independent Insurance Agents of America

Business Income

This course addresses product knowledge and management applicable to business income insurance. The course is 3 hours of classroom instruction designed to provide specific knowledge about the coverages of the various commercial business income products. The course was offered October 22, 1994 in Lake Buena Vista, FL.

Employment Practices and Discrimination Liability

This course addresses ethics and product knowledge applicable to Employment Practices and Discrimination Liability. The course is 2½ hours of classroom instruction and 30 minutes of agent training. The course is designed to provide general knowledge on the exposures of the "do's and don'ts" related to hiring, firing and interaction in business practices, as well as the availability and implications of insurance coverages for businesses and clients. The course was offered October 24, 1994 in Lake Buena Vista, FL.

Commercial Casualty Key Areas

This course addresses product knowledge and management pertaining to commercial casualty insurance. The course consists of 6½ hours of classroom instruction. The course is designed to provide a review and detailed knowledge about key areas in general liability, commercial auto and umbrella areas. The "pollution exclusion" in many policies, employment related issues and valuable but oft-overlooked endorsements are also addressed. The course was offered October 24, 1994 in Lake Buena Vista, FL.

Flood Insurance: The New Wave

This course addresses product knowledge pertaining to flood insurance. The course is 3 hours of classroom instruction. The course is designed to provide general knowledge about flood manual changes, building inspection programs, community rating systems, the lender's role and its relationship to licensees, the legislative scene and errors and omissions impact. The course was offered October 24, 1994 in Lake Buena Vista, FL.

Directors and Officers Coverage

This course addresses product knowledge pertaining to directors and officers liability insurance. The course is 3 hours of classroom instruction. The course is designed to provide general knowledge about the reasons corporate officers are being sued, the ways to avoid exposures like pollution related liability, the effects of mergers and takeovers and the way to structure such coverage. The course was offered October 25, 1994 in Lake Buena Vista, FL.

Insurance Claims for Environmental Damages

This course addresses product knowledge applicable to pollution insurance products. The course is 3 hours of classroom instruction. The course is designed to provide general knowledge about new enforcement initiatives, new environmental regulation, coverage issues and pollution insurance that is now available. The course was offered October 25, 1994 in Lake Buena Vista, FL.

Gaps in Catastrophe Coverage

This course addresses product knowledge and ethics in catastrophe insurance. The course is 3 hours of classroom instruction. The course is designed to provide general knowledge about coverage problems that develop in the wake of catastrophes and their possible solutions. Claims handling after the catastrophe strikes is also addressed. The course was offered October 26, 1994 in Lake Buena Vista, FL.

Errors & Omissions Claims Prevention

This course addresses ethics and product knowledge pertaining to risk management techniques for insurance licensees. The course is 6½ hours of classroom instruction. The course is designed to provide specific knowledge about the legal position of independent licensees, the source of Errors & Omissions Claims and specific strategies to prevent them. The course was offered October 26, 1994 in Lake Buena Vista, FL.

Emerging Legal Issues

This course addresses product knowledge and ethics as they pertain to emerging legal issues in the insurance field. The course is 3 hours of classroom instruction designed to provide general knowledge about these issues and their consequences for insurance. The legal issues addressed are tort reform, environmental coverage, construction defect litigation and premises liability. The course was offered October 25, 1994.

MGA Insurance Company, Inc.

Marketing and Financial Seminar

This course addresses marketing capability for insurance licensees. The course is 16 hours of classroom instruction designed to provide general knowledge of the need of relationship marketing, planning and the implementation of those plans, as well as the need to plan for growth and profit. Also addressed are means of identifying both problems and solutions. This course was offered October 20-21, 1994 in Fort Worth, TX.

Business Planning Workshop

This course addresses product knowledge and management of business planning. The course is 8 hours of classroom instruction. The course is designed to provide specific hands on knowledge of why and how to develop a business plan along with budgeting and Human Resources considerations. The course was offered November 11, 1994 in Forth Worth, TX.

Alexander & Alexander, Inc.

Commercial Property

This course addresses product knowledge of commercial property forms. The course is 7½ hours of classroom instruction. The course is designed to provide specific, in-depth knowledge of available forms and endorsements for commercial property. The ISO CPP form series with the most current edition date will be used as a resource point. The course was offered on the following dates: October 13, 1994 in Chicago; November 8th, 1994 in San Francisco; and November 10, 1994 in Houston.

The Independent Order of Foresters

201 Basic Life Insurance

This course addresses product knowledge, management and ethics pertaining to the field of life insurance. The course is 18½ hours of classroom instruction designed to provide basic knowledge about the field of life insurance, the various structures of life insurance products, the process of underwriting and the legal responsibilities of a life insurance licensee. This course was first offered January 5-8, 1994.

220 Advanced Life Insurance

This course addresses product knowledge, management and ethics pertaining to the field of life insurance. The course is 19¾ hours of classroom instruction. The course is a continuation of 201 Basic Life Insurance and is designed to provide specific knowledge about the field of life insurance and the more complicated structures life insurance coverage can contain. This course was first offered January 12-15, 1994.

Wood Logan Associates, Inc.

Variable Annuities: A Cost/Benefit Analysis

This course addresses product knowledge of variable annuities. The course is 8 hours of classroom instruction designed to provide specific knowledge about the differences between variable annuities and mutual funds and the benefits and risks associated with the former. The course was first offered October 21-22, 1994 in Lake Buena Vista, FL.

Society of Professional Benefit Administrators

SPBA 1994 Fall Meeting

This course addresses ethics, product knowledge and marketing capability on a variety of insurance issues and products. The course is a 13 hour seminar designed to focus on ethics in industry and to provide general knowledge on surety bonds, workers' compensation, managed care and new developments in government regulation. The course was offered October 19-21, 1994 in Reno, Nevada.

International Risk Management Institute, Inc.

Commercial General Liability Seminar

This course addresses product knowledge and management of commercial general liability insurance. The course is a 7 hour seminar designed to provide an advanced, in-depth knowledge of general liability coverage and its application to the construction industry. The course was offered October 31, 1994 in Arlington, VA.

Construction Insurance Primer

This course addresses product knowledge of basic insurance products. The course is a 7 hour seminar. It is designed to provide general knowledge about how such insurance products as workers compensation, general liability, auto, property, contractors equipment and builders risk policies can be best applied to the construction industry. The course was offered October 31, 1994 in Arlington, VA.

Contractual Risk Transfer

This course addresses product knowledge and management of insurance policies and contracts. The course is a 7 hour seminar designed to provide in-depth knowledge of what contractual risk transfer techniques exist and the systems that can be used to monitor them. The course was offered October 31, 1994 in Arlington, VA.

Making Money with the Surety Team

This course addresses the management of construction policies. The course is a 7 hour seminar designed to provide general knowledge about the ways to manage construction business risks with contractual devices and contract administration; how surety underwriters determine bonding lines; current surety trends; and contractor financial analysis. The course was held October 31, 1994 in Arlington, VA.

Fourteen Annual Construction Insurance Conference

This course addresses product knowledge and management of insurance products applicable to the construction industry. The course is 15 hours of seminar instruction. The course is designed to provide specific, in-depth knowledge about how property and casualty insurance coverages respond to the exposures faced by contractors, methods of exposure reduction and new coverage and risk management techniques applicable to construction. The conference was held October 31-November 3, 1994 in Arlington, VA.

Professional Insurance Agents of Montana

Montana's Insurance Statutes and Administrative Rules

This course addresses ethics as they apply to the State of Montana's regulation of the insurance industry. The course is of classroom instruction designed to provide general knowledge about Montana insurance statutes and administrative rules and the recent changes in both those entities. The course was offered November 2-4, 1994.

Commercial Property Problems/Employment-Related Practices Exposure with attention to the added concerns of the American Disabilities Act (ADA).

This course addresses product knowledge and ethics pertaining to commercial property coverage and employer liability. The course is 3½ hours of classroom instruction. The course is designed to provide general knowledge both on current problems in commercial property coverage and on ways to reduce clients' employment-related liability exposures. The course also contains a review of the new ADA requirements. The course was offered November 4, 1994.

Company-Agency Contracts

This course addresses product knowledge and ethics applicable to insurance contracts. The course is 2 hours of classroom instruction designed to provide general knowledge about contract law, the types of contracts and how different contracts can potentially affect licensees and their clients. The course was held November 3, 1994.

How Much Life Insurance is Enough

This course addresses product knowledge, management and ethics for life insurance. The course is 2 hours of classroom instruction designed to provide general knowledge to aid licensees in determining the amounts of life insurance coverage appropriate for clients. The course was offered November 4, 1994.

Business Owners Policy

This course addresses product knowledge of insurance for business owners. The course is 3 hours of classroom instruction designed to provide general knowledge about the coverages, exclusions and endorsements involved in the standard business owners policy. The course was offered November 3, 1994.

American Society of CLU and CLFC

VTC--Working Toward a Zero Estate Tax Plan Using Modern Tax Planning Building Blocks

This course addresses product knowledge and marketing capability pertaining to employee compensation plans. The course is 3.25 hours of classroom instruction via video teleconference. The course is designed to provide detailed knowledge about the tax law changes enacted by the 104th Congress and their impact on employee compensation plans. The course is scheduled to be offered as a live broadcast February 16 and as a taped rebroadcast February 17, 1994.

New York Life President's Council '94

The following courses were offered at the New York Life Insurance Company's President's Council Meeting held October 28-29, 1994 in Puerto Rico. All of the courses listed are 2 hours of classroom instruction and address product knowledge and management pertinent to life insurance.

Family Limited Partnerships vs. "S" Corporations in Estate Planning
Coordinated Tax Planning With Qualified and Nonqualified Deferred Compensation Plans
The Estate Planning Toolkit: A Potpourri of Estate Planning Strategies
Sophisticated Buy-Sell Planning

1995 Arizona Institute

The following courses will be offered at the Arizona CLU Institute January 22-27 in Tucson, AZ. All classes are presented through classroom instruction and are three hours long unless otherwise noted.

Family Limited Partnerships
Dynasty & Generation Skipping Trusts
Life Insurance and Qualified Retirement Plans
Financial Planning
Estate Tax, Income Tax and Insurance Law Update (4 hrs)
Insurance Related Executive Compensation
Variable Life Insurance Products
Deferred Compensation & Split Dollar (4 hrs)

CE & Ski and CE & Golf

The following courses will be offered at the CE & Ski Seminar February 5-9, 1994 in Keystone, CO and at the CE & Golf Seminar February 16-20 in Ponte Verdra, FL. All classes are presented through classroom instruction and are 4 hours long unless otherwise noted.

Creative Usage of Annuities in the Design and Implementation Phases of the Estate Planning Process
Estate Planning for a Business Succession
Sophisticated Tax Planning Techniques
Practical Estate, Business, & Retirement Planning Concepts (3 hrs)

Planning Today With Tomorrow's Policies

This course addresses product knowledge pertinent to life insurance. The course is a 3 hour teleconference designed to provide general knowledge about various new life insurance products, their provisions, structure and uses. Some of the types of life insurance addressed are variable whole life, multiple life universal, designated insured rider and 1st and 2nd-to-die. The course will be offered February 15, 1994.

Keeping Current Clinic--Family Limited Partnerships A-Z

This course addresses product knowledge and management pertinent to family limited partnerships. The course is 11 hours of classroom instruction designed to provide general knowledge about family limited partnerships, their benefits, asset protection, asset valuation, the unique needs of professionals, business people and farmers and ranchers. The course was offered October 8-9, 1994 in Seattle.

Life Sales

All About Annuities!

This course addresses product knowledge pertaining to annuity products. The course is 2 hours of seminar instruction designed to provide general knowledge about annuity products and principles and applicable laws and insurance regulations. In 1994, the course was first offered April 5 in Grand Rapids, MI.

National Ag Underwriters, Inc.

1994 Fall MPCI Agent Training

This course addresses product knowledge of crop insurance. The course is 3 hours of classroom instruction. The course is designed to provide specific knowledge on the changes made by the Federal Crop Insurance Corporation which apply to the 1995 crop year. The course was offered September 12, 13, 14, & 15 in Glasgow, Sidney, Miles City, Lewistown, Great Falls, Shelby and Havre, respectively.

1994 MPCI Fall Update

This course addresses product knowledge pertaining to crop insurance. The course is 7 hours of classroom instruction designed to provide specific knowledge about the crop insurance policies and their provisions as mandated by the Federal Crop Insurance Corporation and State Insurance Department rules and regulations. The course was offered October 18, 19 & 20, 1994.

Columbus Life Insurance Co.

Solving Clients' Problems

This course addresses product knowledge, management and ethics in the field of life insurance. The course is a 2 hour and 20 minute teleconference with an site manager at each viewing location. The course is designed to provide general knowledge about identifying and solving problems, retirement planning, the use of annuities, family limited partnerships, limited liability corporations and comprehensive estate planning. Ethics and compliance will also be discussed. The course was offered November 9, 1994.

PLUS

1994 International Conference

This course addresses product knowledge, management and marketing capability pertaining to professional liability insurance. The course is 9½ hours of classroom instruction. The course is designed to provide general knowledge about loss control and alternative professional liability markets. The professional liability of health-care providers and the health-care industry are also addressed. The course was offered November 10-11, 1994 in New York, NY.

National Endowment for Financial Education College for Financial Planning

CFP VI: Estate Planning

This course addresses product knowledge pertaining to estate planning. The course is approximately 200 hours of self-study text designed to provide specific, in-depth knowledge of federal transfer taxes, common estate planning techniques and additional estate planning situations and considerations. The course is started the third Saturday in January, May and September.

National Farmers Union Property & Casualty Company

Career Agent Seminar

This seminar addresses product knowledge and management for life and property and casualty insurance. The seminar is 6 days long and involves 45 hours of classroom instruction. The course is designed to provide general knowledge on available products, field underwriting, risk management and claims in the above insurance areas. The Seminar was first offered July 11-16, 1994 in Denver, CO.

Merrill Lynch Donald T. Regan School

Applied Economics

This course addresses product knowledge and management for investment portfolios. The course is self-study text. The course is designed to provide general knowledge about how to use financial indicators to formulate effective fixed income and equity strategies. It is an on-going offering.

Elements of Financial Planning

This course addresses management and marketing capability for financial planners. The course is self-study text. The course is designed to provide general knowledge about how to identify, qualify and best counsel clients on the development and periodic review of their financial plan. This is an on-going offering.

Fundamentals of Fixed Income Investing

This course addresses product knowledge, management and marketing capability of fixed income investment products. The course is self-study text. The course is designed to provide the knowledge necessary to advise retail customers about fixed income investing and to select the right fixed income securities when appropriate. This is an on-going offering.

The Investor's Taxes: Individual Taxation

This course addresses product knowledge and management of investment portfolios. The course is self-study text. The course is designed to provide an in-depth understanding of taxes, specific knowledge about the Tax Reform Act of 1986 and the tax treatment of many tax areas, including capital gains, tax shelter investments and pension plans. This is an on-going offering.

Fixed Income Securities: Strategies and Resources

This course addresses management and marketing capability for income securities. The course is self-study text. The course is designed to instruct licensees how to analyze the data necessary to selecting and presenting suitable investment recommendations for every client. This is an on-going offering.

Fundamentals of Insurance

This course addresses product knowledge and marketing capability for all types of insurance. The course is self-study text. The course is designed to provide general knowledge about targeting and approaching clients, identifying the proper coverage and integrating insurance and annuities into the clients' financial plans. This is an on-going offering.

Risk Management Modern Portfolio Theory

This course addresses the role of risk-management in portfolio management. The course is self-study text. The course is designed to provide the general knowledge necessary to judge a client's risk tolerance and to identify whether it is possible to reduce the risk of an investment without reducing its return. This course is an on-going offering.

The Investor's Taxes: Business & Exempt Organizations

This course addresses product knowledge of common benefit plans and their tax liability. The course is self-study text. The course is designed to provide general knowledge about the main characteristics, activities, incomes and tax liabilities of partnerships, corporations and exempt organizations. This is an on-going offering.

University of Montana School of Law

Tax Institute: Tax Planning for the Agricultural Client

This course addresses product knowledge and management in regard to tax planning and investment strategies for agricultural clients. The course is 10 hours of classroom instruction. The course is designed to provide general knowledge about: the specific tax status of agricultural entities, including recent developments; selected estate planning issues; conservation easements; and like kind exchanges. This course was offered November 3, 1994 in Missoula, MT.

The Merritt Company

Personal Automobile Insurance

This course addresses product knowledge of personal automobile insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about coverage conditions, definitions, provisions, eligibility, exclusions and endorsements. Also addressed is in-depth information on rating procedures. This is an on-going offering.

Life Insurance Policies Comparisons & Underwriting

This course addresses product knowledge of life insurance and life insurance products. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about life insurance, available products and the underwriting process. Also addressed is more specific information on life insurance policy forms, riders, options, provisions and financial planning. This is an on-going offering.

Estate Planning

This course addresses product knowledge applicable to estate planning. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about insurance, investment, legal and taxation issues pertinent to estate planning. Some of the issues addressed are charitable contributions, trusts, senior citizen needs, federal estate taxes and estate conservation and the need for liquidity. This is an on-going offering.

General Liability Rating

This course addresses product knowledge and management relating to general liability insurance rating. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide knowledge about liability and the general liability policies, classification, premium bases and rating procedures. This is an on-going offering.

Dwelling and Homeowners Coverage

This course addresses product knowledge about dwelling and homeowners insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about policy coverages, property, liability and endorsements. This is an on-going offering.

Dwelling and Homeowners Rating

This course addresses product knowledge and management pertaining to dwelling and homeowners insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about dwelling and homeowners policies and rating methods. Also addressed are industry changes in dwelling and homeowners program. This is an on-going offering.

Commercial Automobile Coverage

This course addresses product knowledge of commercial automobile coverage. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about business auto coverage and truckers and garage coverage forms. This is an on-going offering.

Commercial Automobile Rating

This course addresses product knowledge and management related to commercial automobile coverage. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about rating business auto and garage coverage as well as zone rated vehicles and the loss cost ratio. This is an on-going offering.

Commercial Property Coverage

This course addresses product knowledge pertaining to commercial property insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge about coverage forms for building and personal property, causes and loss, time element and builders' risk policies. This is an on-going offering.

Commercial Property Rating

This course addresses product knowledge and management for commercial property insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about basic rating procedures, coverage forms, the class rating plan, time element insurance and the prospective loss cost ratio. This is an on-going offering.

General Liability Coverage

This course addresses product knowledge pertinent to general liability insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general information about general liability insurance and commercial policies and coverages. Also addressed are personal and advertising injury liability as well as coverage exclusions. This is an on-going offering.

Workers Compensation

This course addresses product knowledge and management of workers compensation insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about pertinent legal issues, benefits, policies and endorsements. More specific information on the classification and application of rates and premiums. This is an on-going offering.

Commercial Inland Marine

This course addresses product knowledge relating to commercial inland marine insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide background information on the history and nation-wide application of commercial inland marine coverage. Transportation coverages as well as business floater, bailee, dealers' and electronic data forms are also addressed. This is an on-going offering.

Annuities

This course addresses product knowledge of annuities. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about the basic definitions, concepts, principles, characteristics and uses of annuities. Fixed and variable annuities as well as the taxation of annuities are covered in more detail. This is an on-going offering.

Disability Income Insurance

This course addresses product knowledge and management pertinent to disability income insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about the need for disability insurance as well its basic concepts and policy provisions. Residual disability income, optional policy benefits as well as business uses and underwriting practices are also addressed. This is an on-going offering.

Long Term Care

This course addresses product knowledge, management and marketing capability about long term care insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about long term care policies, underwriting considerations and client identification. The future of long term care insurance is also addressed. This is an on-going offering.

Medicare Supplement Insurance

This course addresses product knowledge pertaining to medicare supplement insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about medicare coverage and the medicare claims system. The need for medicare supplements, supplement policies and benefit calculations are also addressed. This is an on-going offering.

Variable Contracts

This course addresses product knowledge and management applicable to annuities and variable life insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about the principals and characteristics of fixed and variable annuities and variable life insurance. Also covered are issues pertaining to the uses of variable life provisions, underwriting and taxation. This is an on-going offering.

Group Insurance and Hospitalization

This course addresses product knowledge and management applicable to group insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about group life and hospitalization insurance along with medical policies. Also addressed are policy provisions, underwriting, premiums, group providers and taxation. This an on-going offering.

Ethics

This course addresses ethics. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about ethics and state law, the insured, the licensee and the insurance company. Also addressed is the Unfair Trade Practices Act. This is an on-going offering.

Understanding Living Trusts

This course addresses product knowledge and management pertaining to living trusts. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about a living trust's effect on estate taxation and organizational strategies for planning for a living trust. This is an on-going offering.

Business Insurance

This course addresses product knowledge and marketing capability pertinent to business insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about the various forms of business organization, the appropriate use of insurance and possible funding strategies in each organizational structure. Fact finding and the business market are also addressed. This is an on-going offering.

Pension and Profit Sharing

This course addresses product knowledge and management applicable to pension plans. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about the characteristics and types of pension plans. Addressed are IRAs, simplified employee pension plans (SEPs), Keogh plans and funding arrangements. Plan design and administration are also addressed. This is an on-going offering.

Society of Certified Insurance Counselors

James K. Ruble Health Care Services

This course addresses product knowledge, ethics, management and marketing capability of health-care related insurance. The course is 20 hours of classroom instruction with an optional, monitored examination. The course is designed to provide general knowledge about those insurance issues specific to health-care services and entering and competing in the health-care insurance market. This course was offered November 16-18, 1994 in Phoenix, AZ.

TMG Life Insurance Company

Knowledge is an Agent's Tool Kit

This course addresses product knowledge, ethics and marketing capability pertinent to life insurance. The course is 4 hours of classroom instruction. The course is designed to provide general knowledge and understanding in the following areas: those tax laws applicable to qualified and non-qualified approaches to retirement savings; the viability, proper usage and suitability of sales illustrations; and premium funding through split-dollar approaches. The course was offered November 15, 16 and 17, 1994 in Billings, Great Falls and Helena respectively.

The American College

CE 211--Understanding and Explaining First- and Second-to-Die Life Insurance Products

This course addresses product knowledge pertinent to life insurance products. The course is 3 hours of classroom instruction designed to provide in-depth knowledge of first- and second-to-die life insurance policies and riders. Also addressed are product variations which can be used to solve complex estate planning issues. Course offering to be announced.

CE 212--Understanding and Explaining Variable Life and Variable Annuity Products

This course addresses product knowledge applicable to variable life insurance products. The course is 3 hours of classroom instruction designed to provide technical knowledge on both variable life insurance and annuity products. Course offering to be announced.

CE 153 Retirement Savings Plans

This course addresses product knowledge relevant to retirement savings plans. The course is 30 hours of self-study text with a monitored examination. The course is designed to provide a complete review of the design, implementation, administration and regulation of each of the types of employer-sponsored employee savings plans that an employer can establish: 401(k) cash or deferral plans, 403(b) annuity plans, simplified employee pensions and non-qualified deferred compensation plans. The course will be available in January 1995 and be an on-going offering.

CPCU Society

'94 Track I

The following courses are part of the '94 Track I course block offered at the CPCU's Annual Meeting held September 26-28, 1994 in Chicago. All of the courses listed are 1 hour of classroom instruction. These courses were presented September 26.

International Insurance for Small Business
Executive Risks

'94 Track II

The following courses are part of the '94 Track II Course block offered at the CPCU's Annual Meeting held September 26-28, 1994 in Chicago. All of the courses listed are 1 hour of classroom instruction. These courses were presented September 27.

High Tech Piracy
Insurance for Non Profits
Workers Comp on the Edge: Fringe Coverages
Consumer's Guide to EIL Coverage
Commercial Umbrella Coverages

'94 Track III

The following courses are part of the '94 Track III course block offered at the CPCU's Annual Meeting held September 26-28, 1994 in Chicago. All of the courses are 1 hour of classroom instruction unless otherwise noted. These courses were presented September 28.

After-Disaster Coverage Disputes (2 hrs)
Aviation Coverage
Flood Coverages

'94 Concurrent I

The following courses ran concurrently at the CPCU's Annual Meeting held September 26-28, 1994 in Chicago. All of the courses are 1½ hours of classroom instruction. These courses were presented September 26.

Health Care Reform
Building in Harm's Way

'94 Concurrent II

The following courses ran concurrently at the CPCU's Annual Meeting held September 26-28, 1994 in Chicago. All of the courses are 1½ hours of classroom instruction. These courses were presented September 27.

Future Claims Settling Practices
The Right to Underwrite

'94 Concurrent III

The following courses ran concurrently at the CPCU's Annual Meeting held September 26-28, 1994 in Chicago. All of the courses are 1½ hours of classroom instruction. These courses were presented September 28.

Our Values over the Years
Reinsurance Market Redefined
Taking the Boss to Court

'94 Concurrent IV

The following course was presented the last day of the CPCU's Annual Meeting held September 26-28, 1994 in Chicago. It consists of 1½ hours of classroom instruction.

Can Research and Politics Reform Workers Compensation

Hartford Life Insurance Company

The Estate Planning Process

This course addresses product knowledge and management pertinent to estate planning. The course is 3 hours of classroom instruction designed to provide general knowledge about the federal estate and gift tax system, the estate planning process and the uses of trusts. The course uses a case study to illuminate the issues being addressed. Course offer will be announced.

Non Qualified Deferred Compensation Concepts & Benefits

This course addresses product knowledge applicable to life insurance. The course is 2½ hours of classroom instruction designed to provide advanced knowledge in non qualified deferred compensation plans in privately and publicly-held corporations. The course was first offered November 10, 1994.

Highway Robbery -- Taxation of Retirement Plans

This course addresses product knowledge and management of retirement plans. The course is 2 hours of classroom instruction designed to provide general knowledge about the ramifications of the over-funding of retirement plans. The tax issues involved and alternative investment strategies are also addressed. The course was first offered November 10, 1994.

Estate Planning Basics -- How to Minimize Estate Taxes

This course addresses product knowledge and management pertinent to estate planning. The course is 3 hours of classroom instruction designed to provide the knowledge necessary to identify clients' taxing estate issues and to develop various solutions. Course offer will be announced.

The Life Underwriter Training Council

Reviewing Long Term Care

This course addresses product knowledge and marketing capability of long term care insurance. The course is 4 hours of classroom instruction designed to provide general knowledge about Medicare coverage, the need for long term care insurance, the available products and how to prospect and market those products. Course offer will be announced.

Deferred Compensation

This course addresses product knowledge and management of deferred compensation and its insurance implications. The course is 2 hours of classroom instruction designed to provide general knowledge on deferred compensation, designing a deferred compensation plan and the applicable principles of taxation. Course offer is to be announced.

Revocable Living Trusts

This course addresses product knowledge applicable to life insurance. The course is 2 hours of classroom instruction designed to provide general knowledge about the characteristics, structure and appropriate use of trusts. This course places specific emphasis on Revocable Living Trusts in particular. Course offer is to be announced.

$25 Million Dollar International Forum '95

The following courses will be offered at the Life Underwriter Training Council's $25 Million Dollar International Forum '95. Each course consists of 1 hour of classroom instruction.

How to Avoid the Shared Case with the IRS
Marketing Life Insurance Through the Banking Community
Estate Planning for the Insurance Agent
Growth or Oblivion--It's Our Choice
Hot Topics for the 21st Century and Beyond
Future Perspective
Young Guns Panel--Choice...It's All Yours
Selling Annuities and Variable Products
Selling Larger Individual Disability Cases to Law Firms
Reconfiguring Financial Services Distribution
Estate Planning Using Artificial Intelligence
Creative Uses of Life Insurance and Annuities (30 min)
Insights and Observations on Product Performance (30 min)
A New Look at a Rejected Friend--Whole Life Insurance
Determining Discounts for Family Partnerships
What You Need to Know About the Family Limited Partnership
The Good, The Bad and the Ugly
Sales Opportunities in the International Insurance Marketplace
Motivation

Continental Insurance Company

1995 Spring Crop Insurance Update

This course addresses product knowledge pertinent to multi-peril crop insurance. The course is 7 hours of classroom instruction designed to review the basic concepts of Federal Crop Insurance and to provide an update of changes enacted by that organization for 1995. Also addressed are company policies and procedures. The course was first offered December 7, 1994 in Utica, NY.

Insurance Sales Illustration Systems

Focus On...Wealth Transfer

This course addresses product knowledge pertinent to life insurance and its potential role as an estate planning tool. The course is 3 hours of classroom instruction designed to provide general knowledge about estate planning and financial analysis with respect to estate taxes. Some of the issues addressed include estate preservation, irrevocable trusts, estate liquidation and taxes and buy-sell agreements. The course was offered August 30, 1994.

IGF Insurance Company

1995 MPCI Common Policy & Small Grains Endorsement Update

This course addresses product knowledge pertinent to small grains crop insurance. The course is 6 hours of classroom instruction designed to provide specific, in-depth knowledge about the Small Grains Crop Provisions and how they affect the insured's coverage. The differences between the 1994 and 1995 Small Grains policy and endorsements are specifically addressed. The course is scheduled to be offered December 13 and December 15, 1994.

State Farm Insurance

A594M--The Auto Insurance Environment in Montana

This course addresses product knowledge pertinent to automobile insurance. The course is 3 hours of classroom instruction designed to provide general knowledge about automobile insurance coverages and claims. Dispute resolution in regard to first and second party recipients as well as the third party nature of underinsured motor vehicle coverage is also addressed. Additionally, in-depth knowledge about the tort liability system as it applies to third party liability claims is provided. Course offer to be announced.

National Association of Surety Bond Producers

Environmental Bonding Seminar

This course addresses product knowledge and marketing capability pertinent to the bonding of environmental construction products. The course is 8 hours of classroom instruction. The course is designed to provide general information about the environmental construction market and opportunities to provide statutorily required bonds and the federal, state and local levels. Liability concerns and the complex federal contracting system are also addressed. This course was offered May 19, 1994.

Third Party Liability for Agents & Underwriters

This course addresses product knowledge and management in the surety bond industry. The course is 1½ hours of classroom instruction. The course is designed to provide knowledge about third party liability and the possible increased exposure of bond producers and surety underwriters when they accept a higher level of construction bond interpretation. This course was offered August 17, 1994.

Design-Build Seminar

This course addresses product knowledge applicable to the surety bond industry. The course is 2 hours of classroom instruction. The course is designed to provide general knowledge about the Design-Build concept in construction and the unique concerns and challenges it poses to the construction industry. This course was offered August 18, 1994

Environmental Issues Today

This course addresses product knowledge and risk management pertinent to the surety bond industry. The course is 2 hours of classroom instruction. The course is designed to provide general knowledge about the potential exposures from environmental regulations, law and physical problem sites. Also covered are the new Superfund amendments and their impact on contractors. This course was offered August 19, 1994.

Legislation Involvement ...This Means You

This course addresses ethics and management pertinent to the surety bond industry. The course is ½ hours of classroom instruction designed to provide general information about the U.S. Government, how it works and how to become active in the U.S. political system. This course is intended to show surety bond producers and surety underwriters how to become active and help shape the legislation that affects their industry. This course was offered August 19, 1994.

Surety and Banking Panel

This course addresses product knowledge relevant to banking procedures. The course consists of 3 hours of classroom instruction designed to provide general knowledge about the banking industry and the methods banks use to analyze financial statements. The course was offered December 5, 1994.

The Two-Way Street: Selling CPA Services to Contractors and Selecting the Right CPA

This course addresses product knowledge pertinent to the building industry and surety bond procedures. The course is 3 hours of classroom instruction designed to outline the "ten things one must know" about construction accounting and taxation. The course was offered December 5, 1994.

Are your Financial Statements Acceptable?

This course addresses product knowledge relevant to understanding contracting and construction company finances. The course is 3 hours of classroom instruction designed to provide in-depth knowledge about preparing contractor financial statements to meet the requirements of surety underwriters. This course was offered December 5, 1994.

Auditing Estimated Costs to Complete

This course addresses product knowledge and management related to the building industry and surety bonding. The course is 3 hours of classroom instruction. The course designed to provide the knowledge necessary to perform an audit in a construction contractor environment and effectively instigate risk control measures. This course was offered December 6, 1994.

Eastbridge Publishing Group, Inc.

Selling Straight: Managing Ethical Decision Making

This course addresses ethics and management relevant to life insurance. The course is 20 hours of self-study text with a proctored examination. The course is designed to provide the knowledge necessary to make ethical decisions that are in the interests of clients, licensees and their companies. This is an on-going offering.

Randall Training Schools, Inc.

Long Term Care -- Part II

This course addresses product knowledge, management and ethics of long term care insurance. The course is 7½ hours of classroom instruction. The course is designed to provide in-depth knowledge about long term care in general, long term care definitions, aspects of a long term care contract and the different types of policies. Underwriting, rating and ethical concerns for licensees are also addressed. Course offering to be announced.

Life Instructors, Inc.

Basic Background for Needs Selling

This course addresses product knowledge and marketing capability for life insurance. The course is 10 hours of self-study test with a monitored examination. The course is designed to provide basic knowledge necessary for understanding life insurance products and approaching potential clients. Property ownership and the problems attendant to their disposition at death are discussed along with business types, employee benefits and Social Security and possible personal supplements. This is an on-going offering.

Annuities

This course addresses product knowledge and marketing capability associated with annuities. The course is 10 hours of self-study text with a monitored examination. The course is designed to provide specific information about annuity concepts, the taxation of annuity products, product profiles and annuity sales applications. This is an on-going offering.

Insuring the Corporate Executive

This course addresses product knowledge and marketing capability applicable to key executive insurance. The course is 10 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about key executive insurance, its concepts, application and funding. Market identification, sales techniques and the assessment of a key executive's value are also addressed. This is an on-going offering.

Non-Qualified Deferred Compensation

This course addresses product knowledge and marketing capability for deferred compensation agreements. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about deferred compensation agreements, their construction, taxation and design; how deferred compensation compares to qualified retirement plans; and the use of insurance as a funding vehicle. Selling strategies are also discussed. This is an on-going offering.

IRA, SEP and Keogh Plans

This course addresses product knowledge pertinent to personal retirement planning. The course is 10 hours of self-study text with a monitored examination. The course is designed to provide detailed knowledge about the eligibility requirements, funding methods, distribution options and the tax treatment of these three types of plans. This is an on-going option.

Buy Sell and Business Valuation

This course addresses product knowledge and marketing capability of life insurance in the commercial market. The course is 10 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about the various types of businesses, how to assess business value and how to provide an insurance program which would guarantee businesses' continuation after the loss of a key individual. This is an on-going offering.

Variable Universal Life

This course addresses product knowledge and marketing capability relevant to universal life insurance. The course is 10 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge about the general features of variable universal life policies, products and marketing techniques. This is an on-going offering.

Pension Basics

This course addresses product knowledge and marketing capability relevant to pension plans. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge about pension concepts, plan types, funding, integration and taxation. Sales techniques are also addressed. This is an on-going offering.

Disability Income

This course addresses product knowledge and marketing capability pertinent to disability income insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about the historical development of disability income insurance, associated tax implications and marketing techniques using disability income insurance. This is an on-going offering.

Universal Life

This course addresses product knowledge and marketing capability pertinent to universal life insurance. The course is 10 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about universal life concepts, their applications, basic policy features, premium calculations, methods of borrowing, surrenders and tax implications. Sales techniques are also addressed. This in an on-going offering.

Split Dollar

This course addresses product knowledge and marketing technique applicable to funding sources for insurance plans. The course is 10 hours of self-study text with a monitored examination. The course is designed to provide general information about split dollar plan function and design; the methods used for sharing the ownership and benefits of plans; the mechanics of plan design and function and income tax considerations. The application of split dollar plans in sales situations is also addressed. This is an on-going offering.

Permanent Whole Life

This course addresses product knowledge and marketing capability of whole life insurance coverage. The course is 10 hours of self-study text with a monitored examination. The course is designed to provide detailed knowledge about the internal structure of the contract, the generation and use of cash values, policy provisions and supplemental benefits for both par and nonpar contracts. The course also emphasizes key features of the whole life contract which can be used in competitive sales situations. This is an on-going offering.

An Overview of Insurance Products

This course addresses product knowledge applicable to life insurance. The course is 20 hours of self-study text with a monitored examination. The course is designed to provide general information about policy elements, traditional life policies, interest sensitive and adjustable life policies, annuities, investments, health insurance, disability income and group coverage. This is an on-going offering.

Overview of Business Insurance

This course addresses product knowledge pertinent to business insurance. The course is 15 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about the different forms of business and buy sell agreements, key executive insurance, split dollar plans, deferred compensation plans and qualified plans. This is an on-going offering.

Mutual Funds

This course addresses product knowledge applicable to mutual funds. The course is 10 hours of self-study text with a monitored examination. The course is designed to provide general information about the forms of investment companies, the structure and operation of mutual funds, the purchasing and titling of mutual fund shares and the redemption and taxation of mutual funds. A comparison of mutual funds will also be provided. This is an on-going offering.

Investment Factors, Objectives and Risks

This course addresses product knowledge and management pertaining to the insurance industry. The course is 6 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about those economic factors which affect investment risk. Also addressed are investment objectives, the financial status and limitation of clients, risks vs. rewards and investment company portfolios. This is an on-going offering.

Franklin Life Insurance Company

Client Cultivation: Providing Quality Service

This course addresses marketing capability pertinent to the selling of any insurance product. The course is a 17-hour combination of self-study text and videotape with a monitored examination. The course is designed both to provide a better understanding of the concepts and mechanics of quality, client-oriented service and to enhance practical skills in providing such service. This is an on-going offering.

New York Life Insurance Co.

Focus on Product Knowledge

This course addresses product knowledge applicable to life insurance. The course is 3 hours of classroom instruction designed to provide in-depth knowledge of variable universal life, variable annuities, Survivorship Whole Life and how these three products can be used to help people between the ages of 50 and 64. This course is scheduled to be offered January 7, 1994 in Scottsdale, AZ.

The Progressive Insurance Company

Underwriting Rules & Regulations Training

This course addresses product knowledge, management and marketing capability pertinent to underwriting commercial and individual automobile insurance policies. The course is 3 hours of classroom instruction. The course is designed to provide technical knowledge about new underwriting methods and insurance products and to review important market awareness information. This course was offered June 8 and June 9, 1994.

NAMIC--Montana Association of Mutual Insurance Companies

Montana Insurance Statutes and Administrative Rules

This course was originally reviewed March 29, 1994.

Bankers Life and Casualty Company

Individual Retirement Accounts Course

This course addresses product knowledge relevant to individual retirement accounts. The course is 4 hours of self-study text with a monitored examination. The course text and exam are products of Pictorial, Inc. The course is designed to provide general knowledge of all aspects of IRAs: contribution and distributions, roll overs, qualified plans and Keogh plans. This is an on-going offering.

Estate Planning Training Course

This course addresses product knowledge and management of estate planning. The course is 15 hours of self-study text with a monitored examination. The course text and exam are products of Pictorial, Inc. The course is designed to provide general knowledge about estate planning, the analysis of specific estates, federal and state taxation and estate disposition. This is an on-going offering.

Business Insurance Basics Course

This course addresses product knowledge of business insurance. The course is 7 hours of self-study text with a monitored examination. The course text and exam are products of Pictorial, Inc. The course is designed to provide general knowledge about the concepts and products available in the business insurance marketplace. Some of the issues addressed are life insurance, annuities, key person insurance and group executive compensation. This is an on-going offering.

National Business Institute, Inc.

Workers Compensation in Montana

This course addresses management and ethics applicable to workers compensation insurance. The course is 6 hours of classroom instruction designed to provide general knowledge about the claims process in workers' compensation cases. Attention will be given to legislative changes, key court decisions and insurance policy provisions. The course is scheduled to be offered February 9, 1995 in Great Falls, MT and February 10 in Billings, MT.

Northstar Insurance Services

Business Continuation Planning

This course addresses product knowledge and management applicable to commercial insurance products. The course is 5 hours of classroom instruction designed to provide general knowledge on various business continuation planning tools and techniques. Some of those tools specifically addressed are buy-sell agreements, non-qualified salary continuation plans and the uses of split dollar insurance and executive bonus plans. The course will be first offered February 21, 1994.

Montana Insurance Statutes and Changes in Montana Insurance Statutes and Administrative Rules

This course addresses ethics and product knowledge applicable to the insurance industry. The course is 1 hour of classroom instruction designed to provide general knowledge about Montana insurance law and the implications regarding violation of these laws. The course will be first offered February 21, 1995.

Government Employees Insurance Company

Property Underwriting Handbook

This computer-based course addresses product knowledge, management and ethics relevant to property insurance. The course is 7½ hours of self-study text with interactive computer instruction and a monitored examination. The course is designed to provide general knowledge on the organization of an insurance company, identifying property insurance needs, explaining and applying underwriting guidelines to individual risks and recognizing the principles of ethical behavior in underwriting. This is an on-going offering.

Auto Underwriting Investigation

This computer-based course addresses management relevant to automobile coverage. The course is a 3 hours of self-study text with interactive computer instruction and a monitored examination. The course is designed to strengthen the investigative skills of experienced insurance counselors and underwriters. Addressed are the underwriting impact associated with occupation, marital status and accidents and the means to identify inconsistencies in application information. This is an on-going offering.

Cycle Gard Rating Plan

This computer-based course addresses product knowledge and management pertaining to motor-cycle insurance. The course is 4 hours of self-study text with interactive computer instruction and a monitored examination. The course is designed to provide technical knowledge about rate classifications and the merit rating system; identify the conditions for which either a surcharge or discount is applied to that rate; and assign the appropriate rate classification to a motorcycle policy. This is an on-going offering.

Auto Underwriting Handbook

This course addresses product knowledge and management relevant to automobile insurance. The course is 6 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about basic automobile insurance terms, concepts, coverages, limits and the components of different contracts. Underwriting, its principles and their practical applications are also addressed. This is an on-going offering.

GI Coverage and Contract

This computer-based course addresses product knowledge relevant to the family automobile policy contract. The course is 3 hours of self-study text with interactive computer instruction and a monitored examination. The course is designed to provide general knowledge about both liability and physical damage coverages and apply the principal provisions of the family auto contract. This is an on-going offering.

Good Driver Plan

This computer-based course addresses product knowledge and management relevant to automobile insurance. The course is 5 hours of self-study text with interactive computer instruction and a monitored examination. The course is designed to provide in-depth knowledge about the GEICO merit-rating system and secondary rating factors. This is an on-going offering.

Homeowners Policy Contract

This computer-based course addresses product knowledge. The course is 8 hours of self-study text with interactive computer instruction and a monitored examination. The course is designed to provide general knowledge about homeowners, renters and condominium owners contracts and coverages. This is an on-going offering.

The NCO Program

This course addresses product knowledge pertinent to auto insurance needs. The course is 4 hours of self-study text with a monitored examination. The course is designed to provide general knowledge about the special automobile insurance needs of the military client and the contract provisions and coverages which address those needs. This is an on-going offering.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for additional Advisory Council review and recommendation.

The sponsoring organizations have indicated appropriate attendance verification, student record maintenance, fee policies and examination administration.

Montana Fringe Benefits

MT Ins. Statutes & Changes in MT Ins Statutes & Adm Rules

This course as submitted will be instructed by one instructor. The proposed instructor "...lacks education or experience in the subject matter of the proposed course..."

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Insurance Institute

Commercial General Liability Coverage

This course was summarized as one of the Pictorial courses reviewed February 4, 1994.

American Institute for CPCU/Insurance Institute of America

ACLM 76 - Occupational Health and Hygiene

The course is part of the Associate in Loss Control Management designation and addresses product knowledge and management of the loss control process. The course is 20 hours of self-study correspondence text, with an independently monitored national exam, designed to provide specific information on the loss control management process consisting of identifying and analyzing hazards, developing alternative loss control measures, selecting effect and economical controls to minimize these hazards or the losses which may result from them, implementing these controls, and monitoring the results of these controls. This is an on going offering.

The following course is offered as part of the Chartered Property Casualty Underwriters certification programs.

CPCU 7 - Management

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

November 17, 1994
Sam W. Mitchell Building -- Room 270

Call to order	3:00
Presentation of course summaries	3:05
Public Comment	3:30
Discussion of course summaries	3:45
Council direction to staff	4:00
Administrative Details - Next Meetings	4:05
December 8, 1994 - phone conference January 12, 1995 - phone conference	
Adjourn	4:15

November 15, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes
November 17, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Ted Clark, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member

Staff Present

Frank Coté, Deputy Insurance Commissioner
Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

No members of the public were present.

Presentation of Course Summaries

Arnold went over the Course Review Summaries, shown as Exhibit 1. Leenknecht said that the Course *Billings Chapter Certified Life Underwriters* should be *Billings Chapter Chartered Life Underwriters*. Arnold went over the Course Review Summaries Addendum 1 and 2, shown as Exhibit 2 and 3.

Public Comment

There was none.

Discussion of Course Summaries

Leenknecht made a motion to approve all courses and submit them to the Commissioner. Boon seconded the motion. Motion carried unanimously.

Council Direction to Staff

Arnold said Mr. Randall Knowles, a sponsoring organization provider asked for addresses of counsel members and has been provided those addresses.

Administrative Details - Next Meeting

The next teleconference meetings are set for December 8 and January 11, 1994, at 3:00 p.m.

Boon made a motion to adjourn. Clark seconded the motion and it was carried unanimously.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - November 17, 1994

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Carrie Martin PO 5593	IIAM	443-9555

Please print

Exhibit 1

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Pictorial

Montana Continuing Education Study Course--General Insurance Law

This course addresses ethics and management for insurance licensees. The course is 3 hours of self study correspondence designed to provide specific information on ethics, rate and form regulation, insurance guaranty associations, insurance contract language, unfair trade practices and licensee responsibilities. This course is not designed to meet the requirement of a minimum of one credit hour biannually of continuing education in changes in Montana insurance rules and statutes. This is an on-going offering.

John Hancock

Estate Planning, Part 5: The Cosgrove Case/Needs Analysis

This course addresses marketing capability of estate plans. The course is 2 hours of videotape classroom instruction, including 1½ hours of instruction stock transfer, capital conservation, annual gift tax exclusion, designed to provide basic information on estate valuation and the inclusion of life insurance policies in an estate package. This is an on-going offering.

Staeheli Seminars

Fast Track I

This course addresses product knowledge and marketing capability of charitable life insurance gifts, key employee insurance products and sole proprietorships. The course is 15 hours of classroom instruction, including 4 hours of instruction about tax advantages, business liquidation, planned sale and retention of sole proprietorships, designed to provide basic information on charitable gifts, life insurance, charitable remainder trust, last-to-die policy and annuity gifting, key employee coverage and how it works. The first offering of this course was held September 22, 1994 in Boston, Massachusetts.

Fast Track Personal Auto

This course addresses product knowledge of personal automobile insurance and ethics. The course is 14½ hours of classroom instruction designed to provide basic instruction on auto policy parts, A, B, C, D, E and F, coverages, exclusions, liability limits and endorsements, and ethical standards and consumer protection. The first offering of this course was held October 3, 1994 in Charlotte, North Carolina.

Fast Track II

This course addresses product knowledge of deferred compensation, individual retirement accounts and partnerships. The course is 15 hours of classroom instruction designed to provide detailed information regarding using annuities to fund IRA's, last-to-die or survivorship policies to buy out partnerships and life insurance products in deferred compensation. The first offering of this course is January 5, 1995 in Chicago, Illinois.

Life Underwriter Training Council

The following courses are part of the Life Underwriter Training Council certification program. The courses are classroom presentations. The sponsoring organization has requested that all 1994 offerings of the courses be approved for Montana insurance continuing education credit.

Pieces of Eight
National Association of Life Underwriters (NALU) 1994 Convention

Professional Liability Underwriting Managers, Inc.

Looking Ahead 1994 Lawyers Professional Liability Underwriting Advanced Workshop

This course addresses product knowledge and marketing capability of lawyers professional policies. The course is 10 hours of classroom seminar, including 3½ hours of agent training, designed to provide in depth information regarding the insuring of lawyers and law practices, liability coverages, claims, errors and omissions and underwriting issues. The first offering of this course was August 15, 1994 in Minneapolis, Minnesota.

Montana Insurance Education Foundation, Inc.

Advanced Errors and Omissions

This course addresses product knowledge of error and omissions loss prevention. The course is 6 hours of classroom instruction designed to provide in depth instruction on areas of agent liability, rises in claim frequency and the causes, exposures, prevention, problem areas and reporting responsibilities. This is an on-going offering.

Errors and Omissions Claims Prevention Seminar

This course addresses product knowledge of error and omissions loss prevention. The course is 6 hours of classroom instruction designed to provide in depth instruction on areas of prevention, agent liability, rises in claim frequency and the causes, exposures, problem areas and reporting responsibilities and agent conduct. This is an on-going offering.

IDS Financial Services, Inc.

What's so Taxing About Annuities?

This course addresses product knowledge of annuities. The course is 4 hours of self study correspondence text designed to provide general information regarding annuities, surrender penalties and charges, taxation, distribution, the accounts and the underlying mutual funds and payout upon annuitization. This is an on-going offering.

PDP: Life Insurance Competition

This course addresses marketing capability of whole life insurance. The course is 1½ hours of self study correspondence text designed to provide comparisons between and assessments of competitors policies for clients. This is an on-going offering.

DI Module 1: Product Essentials

This course addresses product knowledge and marketing capability of disability income insurance. The course is 4 hours of classroom instruction, including 1½ hours of agent training, designed to provide general information about income protection, occupational classes, issue and participation limits and policy riders. This is an on-going offering.

Employer Sponsored 403(b) Plan

This course addresses product knowledge and marketing capability of 403(b) plans. The course is 6 hours of self study correspondence text designed to provide general information about employer-sponsored 403(b) plans, administrative requirements, funding vehicles, differences between annuity products and the role of a third party administrator. This is an on-going offering.

Gifting Strategies Pre-session Study

This course addresses product knowledge and marketing capability of estate gifts. The course is 4 hours of self study correspondence text, including 1½ hours of instruction about irrevocable trusts, charitable remainder trusts and annuity trusts and gift annuities. This is an on-going offering.

Life Insurance Module 3: Selling Techniques

This course addresses marketing capability of life insurance. The course is 1 hour of classroom instruction designed to provide general instruction about selling life insurance, managing resistance and selling the tax advantages of life insurance. This is an on-going offering.

Annuity Selling

This course addresses marketing capability of annuities. The course is 4 hours of self study correspondence text designed to provide specific information about non qualified and split annuities, annuity types, setup and taxation, rule and distribution changes and other concepts. This is an on-going offering.

Long Term - Complete the Plan

This course addresses product knowledge of long term care insurance. The course is 1½ hours of classroom instruction , including 1 hour of agent training, designed to provide basic information on long term care, definitions, policies, and IDS products. This is an on-going offering.

PDP II: Estate Planning (v2)

This Pictorial course was reviewed in for the Insurance Continuing Education Advisory Council meeting February 4, 1994.

PDP II: Business Financial Planning (v3)

This Dearborn R & R Newkirk course *Business Insurance* was reviewed for the Insurance Continuing Education Advisory Council meeting September 22, 1994.

PDP: Retirement Planning (v2)

This course addresses product knowledge and marketing capability of retirement plans. The course is 12 hours of self study correspondence text designed to provide extensive information about life expectancies, government and private retirement benefits, qualified and non qualified plans and other insurance and annuity retirement products. This is an on-going offering.

PDP: Life Insurance Proposals #1

This course addresses marketing capability of life insurance proposals. The course is 1 hour of classroom instruction designed to provide general information about basic, specialized, insurance reprojection and split dollar proposals. This is an on-going offering.

PDP: Life Insurance Proposals #4

This course addresses marketing capability of life insurance proposals. The course is 1 hour of classroom instruction designed to provide specific information about preparing and presenting proposals and interpreting proposal illustrations. This is an on-going offering.

Sun Financial Group/Sun Life of Canada

Split Dollar Concepts & Techniques from A-Z

This course addresses product knowledge and marketing capability of licensees regarding split dollar life insurance concepts. The course is 3 hours of classroom instruction designed to provide specific knowledge of the relevant tax and legal rulings when using the split dollar concept in estate and income tax planning. The first offering of the course was August 30, 1994 in Boston, Massachusetts.

Non Qualified Executive Benefits

This course addresses product knowledge and marketing capability of licensees regarding non qualified executive benefits. The course is 2 hours of classroom instruction designed to provide knowledge of the relevant federal and estate tax laws that impact the design and payout of non qualified executive benefits. The first offering of this course was August 30, 1994 in Wellesley Hills, Massachusetts.

This course addresses product knowledge and marketing capability of licensees regarding estate planning, private retirement plans, and split dollar life insurance. The course is 7 hours of classroom instruction. Three hours of the instruction is designed to provide a basic knowledge of estate planning techniques and the various methods used to pay estate taxes, including the use of life insurance. Two hours of instruction will provide a basic knowledge of private retirement plans, their funding methods and tax issues affecting the plans. The other two hours will provide a basic knowledge of split dollar life insurance (emphasizing survivorship and single life products), related technical applications, and tax considerations. The first offering of this course was August 14-17, 1994 in Wellesley Hills, Massachusetts.

Insurance Business Consultants, Inc.

Understanding the Wholesale Insurance Market

This course addresses management and marketing capability concerns for licensees regarding utilizing the wholesale insurance market. The course is 4 hours of classroom instruction designed to inform agents about the types of wholesalers, the types of carriers they represent, with special attention to the differences between admitted and non-admitted carriers, and providing a checklist of special considerations to be aware of when using this wholesale insurance market. The first offering of this course was September 18, 1994 in Bloomington, Minnesota.

Updated Federal Regulations and General Liability Coverage for Truckers

This course addresses product knowledge of licensees regarding commercial auto and general liability insurance policies, as they relate to the trucking industry. The course is 13 hours of classroom instruction designed to provide specific information on how general liability and commercial auto policies will respond to new federal regulations for trucking operations, potential pollution losses, ramifications of MCS90, bob-tail and dead-head coverages, intermodal operations and coverage problems, owner/operator concerns, and the effects of NAFTA, ADA, and other recent changes in the business environment. The first offering of this course was August 21-22, 1994 in Raleigh, North Carolina.

Columbus Life Insurance Company

Agency Resource Manual

This course addresses product knowledge and management issues for licensees regarding the sale of life insurance, disability income insurance, and group insurance. The course is 6 hours of self-study correspondence text, including 2 hours of agent training on Columbus Life Insurance Company's particular products, with an independently monitored examination, designed to provide specific information on whole life, universal life, term life, annuities, disability income, group insurance, and policy delivery. This is an on-going offering.

Society of Certified Insurance Service Representatives

The following course is a part of the Certified Insurance Service Representative certification program. The course is 8 hours of classroom presentation. The sponsoring organization has requested that all 1994 offerings of the course be approved for Montana continuing education credit.

Dynamics of Service

United Insurance Educators, Inc.

Money Growth

This course addresses ethics and product knowledge of licensees regarding life insurance, annuities, and other savings vehicles. The course is 12 hours of self-study correspondence text, excluding 3 hours of securities other than variable contracts, with an independently monitored examination designed to provide specific information on life insurance, annuities, Keogh plans, IRA's, other savings vehicles including mutual funds and securities, and agent ethics. This is an on going offering.

Medicare & The Retiree

This course addresses ethics and product knowledge of licensees regarding Medicare supplements and long-term care insurance policies. The course is 15 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information regarding Medicare and Medigap policies, the 10 standardized policy forms, long-term care insurance, and agent ethics, particularly in the senior market. This is an on going offering.

Developing Group Insurance

This course addresses product knowledge of licensees regarding group insurance. The course is 15 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on group insurance programs and their principle characteristics, HMO's, flexible spending accounts, and future possible developments. This is an on going offering.

Preparing For Retirement

This course addresses product knowledge of licensees regarding Medicare supplements, long-term care, life insurance, and annuities. The course is 13.5 hours of self-study correspondence text, excluding 1.5 hours of securities other than variable contracts, with an independently monitored examination, designed to provide specific information on Medicare, Medicare supplements, long-term care insurance, wills, living trusts, other types of trusts, retirement investing, life insurance, annuities, and securities. This is an on going offering.

P & C Principles

This course addresses product knowledge of licensees regarding property and casualty insurance. The course is 15 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on property and casualty principles, property and casualty policies, homeowners and personal auto insurance, and how negligence laws pertain to insurance. This is an on going offering.

Long Term Care

This course addresses product knowledge of licensees regarding long-term care insurance. The course is 15 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on long-term care insurance policies, the Medicare program, and the reality of nursing home care. This is an on going offering.

Insurance Principles I

This course addresses product knowledge of licensees regarding life and health insurance. The course is 15 hours of self-study correspondence text, with an independently monitored examination, designed to provide generalized information on types of life and health policies presented as an overall review. This is an on going offering.

Stewart Title Guaranty Company

Training Event - Jackson Hole, WY

This course addresses product knowledge of licensees regarding title insurance. The course is 12 hours of classroom instruction designed to provide specific knowledge of the search and examination phase relative to title insurance. The first offering of the course was May 13-14, 1994 in Jackson Hole, Wyoming.

Northwestern Mutual Life Insurance Company

1994 Postgraduate Round Table

This course addresses product knowledge and marketing capability of licensees regarding life insurance. The course is 2.5 hours of classroom instruction designed to provide specific knowledge of life insurance, and basic and sophisticated estate planning strategies, including trusts and gifts. The first offering of the course was July 27, 1994.

Billings Chapter Certified Life Underwriters

Montana Insurance Statutes and Changes in Montana Insurance Statutes and Administrative Rules

This course was reviewed for the Insurance Continuing Education Advisory Council meeting March 29, 1994.

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

First American Title Insurance

Annual Agents Title Seminar

This course addresses product knowledge of title insurance. The course is 12 hours of classroom seminar, including 2 hours of agent training, designed to provide specific information regarding title insurance for rivers, wetlands, Indian lands, railroad lands, exceptions, endorsements and underwriting. This course was offered September 8, 1994 in Fairmont, Montana.

American Society of Certified Life Underwriters and Chartered Financial Consultants (CLU & ChFC)

The following courses are provided by the CLU and ChFC certifying organizations. The classroom instruction is part of the 1994 National Conference.

1994 National Conference
- *Track I Estate Planning*
- *Track II Financial Counseling*
- *Track III Employee Benefits*
- *Track IV Multiline*

Phoenix Home Life Mutual Insurance Company

Estate Planning for the Life Insurance Advisor

This course addresses product knowledge of estate planning . The course is 2 hours of teleconference designed to provide general information about life insurance trusts, retirement planning, charitable remainder unitrusts, split dollar and the tax implications of each. This teleconference was broadcast September 13, 1994 from Hartford, Connecticut.

Aetna Casualty and Surety Company

Main Street Miscellaneous Surety

This course addresses product knowledge of surety bonds. The course is 1 hour of classroom seminar designed to provide basic information on types, categories, needs and uses of surety bonds. No offering is scheduled.

Insurance Business Consultants, Inc.

Duty to Defend

This course addresses product knowledge and ethics of insurance liability. The course is 4 hours of classroom instruction designed to provide specific knowledge on payment of damages done by an insured and defense of an insured when damage claims are made. The first offering of the course was September 17, 1994 in Bloomington, Minnesota.

Human Technology Partnership, Inc.

Annuities

This course addresses product knowledge of annuities. The course is 32 hours of self study correspondence text designed to provide specific information on annuity use and structure, variable and fixed annuities, benefits, markets, management and taxation. This is an on-going offering.

Estate Planning

This course was summarized as one of the Dearborn courses submitted by the Aid Association for Lutherans reviewed May 25, 1994.

Principles of Retirement Planning

This course addresses product knowledge of retirement plans. The course is 39 hours of self-study correspondence text designed to provide specific information on retirement plan and planning, retirement income needs, life insurance and annuities, comparing investments and growth, qualified plans, distribution alternatives, nonqualified plans, health and health care insurance and planning tools. This is an on-going offering.

Survey of Advanced Sales

This course was summarized as one of the Dearborn courses reviewed September 22, 1994.

College of Great Falls

Fundamentals of Employee Benefit Programs

This course addresses product knowledge of employee benefit plans. The course is offered by an accredited university as part of its course of study in business. The course is 3 semester credits of classroom instruction designed to provide a basic understanding of employee benefits and group insurance as compensation. This course is offered fall semester 1994.

Allstate Insurance Company

Managing a Multi-line Agency

This course addresses product knowledge of risk management and ethics of customer service. The course is 7½ hours of classroom instruction, including 3 hours of instruction in time management, designed to provide information on management of policy risk by periodic review and effective customer relations. This course was offered August 16, 1994.

North Central Crop Insurance

Introduction to the 1995 Common Policy and Small Grains Crop Provisions

This course addresses product knowledge of crop insurance. The course is 7 hours of classroom instruction designed to provide specific information on changes in federal crop insurance program insurance coverages, including: late planting, prevented planting, winter wheat, malt barley, small grains and common crop coverages. The first offering of this course was August 31, 1994 in Great Falls.

National Association of Independent Life Brokerage Agencies (NAILBA)

The Variable Annuity

This course addresses marketing capability of variable annuities. The course is 1 hour of classroom instruction designed to provide general information on variable annuity products, markets and sales. The first offering of this course is scheduled November 18, 1994.

Technical Aspects of Variable Products

This course addresses marketing capability of variable annuities. The course is 1 hour of classroom instruction designed to provide general information on variable annuity products, product features, profits and sales. The first offering of this course is scheduled November 18, 1994.

The Variable Explosion

This course addresses marketing capability of variable annuities. The course is 1 hour of classroom instruction designed to provide general information on variable annuity products, markets and sales. The first offering of this course is scheduled November 17, 1994.

Fortis Financial Group

Annuities Course - Both Fixed and Variable

This course addresses product knowledge of fixed and variable annuities. The course is 5 hours of classroom instruction designed to provide in depth information about deferred fixed and variable annuities, tax deferral, withdrawals, operation of annuities and measuring performance. This is an on-going offering.

Wood Logan Associates, Inc.

Basic Annuity Concepts

This course addresses product knowledge of fixed and variable annuities. The course is 1 hour of classroom instruction designed to provide general information on immediate and deferred annuity products, annuitization, characteristics and structure. No offering of this course is scheduled.

Annuity Features and Benefits

This course addresses product knowledge of fixed and variable annuities. The course is 1 hour of classroom instruction designed to provide general information on immediate and deferred annuity products, annuitization, tax advantages, estate planning and structure. No offering of this course is scheduled.

Controlling Documents

This course addresses product knowledge of annuity contracts. The course is 1 hour of classroom instruction designed to provide basic information on the annuity prospectus, application and contract. No offering of this course is scheduled.

Contractual Designations

This course addresses product knowledge of annuities. The course is 1 hour of classroom instruction designed to provide basic information on using annuities in estate planning. No offering of this course is scheduled.

Retirement Planning

This course addresses product knowledge of annuities. The course is 1 hour of classroom instruction designed to provide basic information on using annuities in retirement planning. No offering of this course is scheduled.

Positioning Annuities

This course addresses product knowledge of annuities. The course is 1 hour of classroom instruction designed to provide basic information on using annuities to supplement qualified plans. No offering of this course is scheduled.

Risk Management

This course addresses product knowledge of annuities. The course is 1 hour of classroom instruction designed to provide basic information on using annuities as a financial planning tool. No offering of this course is scheduled.

Exhibit 3

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Aid Association for Lutherans

Disability Income Workshop

This course addresses product knowledge of disability income insurance. The course is 4½ hours of classroom instruction designed to provide specific knowledge about disability income insurance components, tax laws, product pricing vs. marketing, coordinating disability income insurance with other coverage and errors and omissions. This is an on-going offering.

Issues in Life Insurance

This course addresses marketing capability of life insurance. The course is 4 hours of self study correspondence text designed to provide specific information about premium and death benefit tests, modified endowment contracts and the 7-pay test. This is an on-going offering.

Business Insurance

This Dearborn R&R Newkirk course was summarized for review September 22, 1994.

Long Term Care

This course addresses product knowledge for long term care insurance. The course is designed to provide specific information about long term care insurance, Medicare and Mediaid gaps and additional coverage available. This is an on-going offering.

Life Insurance Products

This course addresses product knowledge of life insurance. The course is 6 ½ hours of classroom instruction designed to provide specific information about life insurance uses, term and permanent products and case studies. This is an on-going offering.

Ethics for the Insurance Professional

This course addresses ethics. The course is 7 hours of self study correspondence text designed to provide specific information on ethical behavior for and by the insurance professional. This is an on-going offering.

FIC Advanced III Course

This Dearborn R&R Newkirk course was summarized for review September 22, 1994.

Pension and Profit Sharing

This course addresses product knowledge of retirement planning. The courses is 15 hours of self study correspondence designed to provide specific information about qualified plans, funding vehicles, plan administration for retirement plans. This is an on-going offering.

Investment Planning

This course addresses product knowledge of investment planning. The course is 13 hours of self study correspondence designed to provide specific information about evaluating investments, identifying risks, determining the client need and product to meet that need. This is an on-going offering.

Volume I - Business Continuation

This Pentera course was summarized for review August 24, 1994.

Volume II - Employee Benefits

This course addresses product knowledge of business insurance. The course is 10 hours of self study correspondence designed to provide specific information about funding employee benefits, deferred compensation, split dollar insurance and business health insurance. This is an on-going offering.

Business Insurance I

This course addresses marketing capability of business insurance. The course is 8 hours of self study correspondence instruction designed to provide basic information about keyperson, health and disability insurance and defining a business need. This is an on-going offering.

Estate Protection I

This course addresses marketing capability of estate insurance. The course is 8 hours of self study correspondence instruction designed to provide basic information about conducting an individual estate analysis and identifying estate needs. This is an on-going offering.

Basic Estate Planning

This course addresses product knowledge of estate planning. The course is 5 hours of classroom instruction designed to provide basic instruction about estate planning tools and products and how to use them. This is an on-going offering.

CBT Term Insurance

This course addresses product knowledge of term life insurance. The course is 4 hours of self study correspondence designed to provide general information about term life insurance benefits, features and components. This is an on-going offering.

Edward D. Jones & Co.

EDJ Course I, Life Insurance & Annuity Basics

This course addresses product knowledge of licensees regarding annuities. The course is 24-36 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific knowledge of annuities, IRAs, and 401(k) plans. This is an on going offering.

EDJ Course II, Qualified Plans

This course addresses product knowledge of licensees regarding life insurance and annuities. The course is 23.5-35 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific knowledge of life insurance, IRA's, annuities, and the insurance industry itself. This is an on going offering.

Continental Insurance Company

1995 Fall Crop Insurance Update

This course addresses product knowledge of licensees regarding multi-peril crop insurance. The course is 5.5 hours of classroom instruction designed to provide specific knowledge of Federal Crop Insurance and recent changes to the program enacted by the Federal Crop Insurance Corporation. The first offering of the course was August 23, 1994 in Oklahoma City, Oklahoma.

Safeco Education Center

Commercial Lines Agent School

This course addresses product knowledge of licensees regarding commercial property and casualty insurance. The course is 70 hours of classroom instruction designed to provide specific knowledge of commercial package policies, crime forms, inland marine, business income, commercial liability, business auto, garage policies, Safeco's business owner's package, workers compensation, and umbrella polices. The first offering of the course was February 28 - March 11, 1994 in Seattle, Washington.

Personal Lines Agent School

This course addresses product knowledge of licensees regarding personal lines property, casualty, and life insurance. The course is 70 hours of classroom instruction designed to provide specific knowledge of private passenger auto, RV, boat owner, homeowner, dwelling fire, personal umbrella, and life insurance policies. The first offering of this course was May 2-13, 1994 in Seattle, Washington.

Commercial Insurance Update

This course addresses product knowledge of licensees regarding commercial lines property and casualty insurance. The course is 70 hours of classroom instruction designed to provide specific knowledge of commercial package policies, inland marine, business income, crime coverages, commercial liability, business auto and garage insurance policies. The first offering of the course was July 18-21, 1994 in Seattle, Washington.

AFLAC

Basic Flex (Section 125)

This course addresses marketing capability of licensees regarding Section 125 cafeteria plans. The course is 6 hours of classroom instruction designed to provide specific knowledge of Section 125 cafeteria plans and AFLAC's FLEX policy. The first offering of the course was February 17, 1994.

Basic Flex-One Workshop

This course has been summarized above. This is an additional submission.

Flex-One Advanced Workshop

This course addresses marketing capability of licensees regarding Section 125 cafeteria plans. The course is 6 hours of classroom instruction, including 1 hour agent training, designed to provide specific knowledge of Section 125 cafeteria plans and AFLAC's FLEX policy. The first offering of the course is still to be determined.

Northwestern National Life

Northwestern Exposure--Northwestern National Life's 1994 National Insurance and Securities Conference

This course addresses product knowledge and marketing capability of licensees regarding life insurance, annuities, retirement planning and estate planning. The course is 17 hours of classroom instruction, including 1 hour of securities other than variable contracts and 5 hours of agent training designed to provide specific knowledge of life insurance, annuities, estate planning and retirement planning. The first offering of the course was August 10-13, 1994 in Minneapolis, Minnesota.

Aetna Life & Casualty

Home Office Sales Course

This course addresses product knowledge of licensees regarding commercial property and casualty insurance. The course is 152 hours of classroom instruction designed to provide specific knowledge of property, business income, commercial general liability, business auto, crime, inland marine, workers compensation, umbrella, personal auto, homeowners, and surety insurance policies. The first offering of the course was September 19 to October 13, 1994 in Hartford, Connecticut.

ClienTell

Introduction to Variable Annuities

This course addresses product knowledge of licensees regarding variable annuities. The course is 2 hours of classroom instruction designed to provide specific knowledge of variable annuities. The first offering of the course was September 1, 1994.

Introduction to Variable Annuities

This course addresses product knowledge of licensees regarding variable annuities. The course is 18 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific knowledge of variable annuities. This is an on-going offering.

Understanding Variable Annuities, Applications & Taxation

This course addresses product knowledge of licensees regarding variable and immediate annuities. The course is 2 hours of classroom instruction designed to provide specific knowledge of variable annuities, immediate annuities, and IRAs. The first offering of the course was September 1, 1994.

Understanding Variable Annuities, Applications & Taxation

This course addresses product knowledge of licensees regarding variable and immediate annuities. The course is 13 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific knowledge of variable annuities, immediate annuities and IRAs. This is an on-going offering.

Fixed Annuities

This course addresses product knowledge of licensees regarding fixed annuities. The course is 2 hours of classroom instruction designed to provide specific knowledge of fixed annuities. The first offering of the course was September 1, 1994.

Fixed Annuities

This course addresses product knowledge of licensees regarding fixed annuities. The course is 13 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific knowledge of fixed annuities. This is an on-going offering.

Understanding Qualified Plans & Annuities

This course addresses product knowledge of licensees regarding variable annuities in qualified plans. The course is 2 hours of classroom instruction designed to provide specific knowledge of variable annuities and qualified plans (IRAs & SEPs). The first offering of the course was September 1, 1994.

Skandia Leaders College Charitable Remainder Trust

This course addresses product knowledge and marketing capability of licensees regarding annuities and life insurance in charitable remainder trusts. The course is 3 hours of classroom instruction designed to provide specific knowledge of charitable remainder trusts and how annuities and life insurance may be involved in such trusts. The first offering of the course was September 1, 1994.

Financial Planning With Qualified Plans

This course addresses product knowledge and marketing capability of licensees regarding life insurance and qualified retirement plans. The course is 3 hours of classroom instruction designed to provide specific knowledge of qualified retirement plans, including life insurance in those plans. The first offering of the course was September 1, 1994.

Bridging the Retirement Savings Gap

This course addresses marketing capability of licensees regarding retirement planning. The course is 2 hours of classroom instruction designed to provide specific knowledge of retirement planning and the role of variable annuities in retirement planning. The first offering of the course was September 25, 1994.

Annuity History and Overview

This course addresses product knowledge of licensees regarding annuities. The course is 2 hours of classroom instruction designed to provide specific knowledge of annuity products. The first offering of the course was September 25, 1994.

Mountain West Farm Bureau Mutual Insurance Company

Basic Casualty School 94

This course addresses product knowledge of licensees regarding property and casualty insurance. The course is 35 hours of classroom instruction designed to provide specific knowledge of personal lines property and casualty insurance, plus an overview of commercial lines. The first offering of the course was April 11-15, 1994 in Laramie, Wyoming.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

October 26, 1994 Meeting
State Capitol Building, Room 402

Call to order 1:00

Review and Approval of Minutes 1:05

Meetings of --

May 25, 1994
June 29, 1994
July 28, 1994
August 24, 1994
September 8, 1994
September 22, 1994

Presentation of course summaries 1:15

Presentation of draft request for reconsideration 1:40

Old Business 2:00

Additional material submitted at advisory council request

Horace Mann Insurance Company--
Tax Deferred Life (403b) Product Training

State Farm Insurance--
Commercial Insurance Audits
Inland Marine Insurance
Gray Market Cars

Public Comment 2:45

Break 3:15

Discussion of course summaries 3:30

Discussion of draft request for reconsideration 4:00

Council direction to staff 4:30

Administrative Details - Next Meetings - Proposed dates 4:55

November 17, 1994--Teleconference
December 8, 1994--Teleconference
January 12, 1994--Teleconference

Adjourn 5:00

October 23, 1994

Insurance Continuing Education Advisory Council

Minutes
October 26, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The meeting of the Insurance Continuing Education Advisory Council was called to order in Conference Room 402 of the State Capitol Building at 1:00 p.m. by Mark Nelson.

Members Present

Mark Nelson, Insurance Department Non-Voting Member
John Bebee, Unaffiliated Insurance Agent Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member
Robin Boon, Independent Insurance Agents of Montana Member
Ted Clark, Public Member
Ed Eck, Public Member

Staff Present

Mary Arnold, Continuing Education Program
Frank Coté, Deputy Commissioner of Insurance
Nita Holman, Recording Secretary

A list of other parties present is attached as Exhibit 1.

Review and Approval of Minutes

Minutes of the May 25, June 29, July 28, August 24, September 8, and September 22, 1994 meetings were reviewed. Clark said he was not in attendance at the September 22 teleconference. He should not be listed as present. Clark moved to approve the minutes

with the correction. Boon seconded the motion. Motion passed unanimously.

Presentation of Course Summaries

Arnold went over the Course Review Summaries, shown as Exhibit 2, and the Course Review Summaries Addendum, shown as Exhibit 3 and answered questions about the summaries.

Presentation of Draft Request for Reconsideration

Arnold went over the Notice of Public Hearing draft, shown as Exhibit 4.

Old Business

Arnold said additional material was submitted by Horace Mann for the course *Tax Deferred Life (403b) Product Training*. Leenknecht looked over the material and said the course was fine. Additional material was submitted by State Farm Insurance for *Commercial Insurance Audits*, *Inland Marine Insurance*, and *Gray Market Cars*. There was discussion concerning *Gray Market Cars*.

Public Comment

Ron Ashabraner talked about the course, *Gray Market Cars*.

Discussion of Course Summaries

Clark made a motion to approve all the courses on the Course Review Summary and Addendum. Bolt seconded the motion. Motion carried, with Bebee abstaining from the vote on the *Business 211-Investments* course.

Leenknecht made a motion to approve *Tax Deferred Life (403b) Product Training*. Bebee seconded the motion and it passed unanimously.

Boon made a motion to approve *Commercial Insurance Audits*. Clark seconded the motion and it carried unanimously.

Bolt made a motion to approve *Inland Marine Insurance*. Leenknecht seconded the motion and it carried unanimously.

Bebee made a motion to approve *Gray Market Cars*. Bolt seconded the motion. Motion carried with Boon opposing and Eck abstaining.

Discussion of Draft Request for Reconsideration

The council would like gender wording in Rule II and III deleted. The council would like the Commissioner to notify the council about a reconsideration. Rule II has a sub (a) but no (b). Bebee made a motion to accept the draft, with the changes noted above. Eck seconded the motion and it carried unanimously.

Arnold said State Farm and Estate Financial Services were the only two submitting organizations who were currently interested in the reconsideration process.

Council Direction to Staff

There was some discussion on the budget. Arnold and Coté gave a brief review on this. $25,000 has come in but the bulk of money will come after licensees renew after the first of the year.

478 courses have been approved by this council. Hours have been assigned through courses approved on May 12.

Arnold told the council that a new FTE was hired and there is another vacancy due to a resignation in the office.

There was discussion concerning extensions that will be given to insurance licensees. Nelson said that will be done on an individual basis to those who have made a good faith effort at getting their credits.

Administrative Details

The next three meetings are as follows:

November 17, 1994 - Teleconference, 3:00 p.m.
December 8, 1994 - Teleconference, 3:00 p.m.
January 12, 1994 - Teleconference, 3:00 p.m.

Bebee made a motion to adjourn. Leenknecht seconded the motion and it carried unanimously.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

State Farm Insurance

Handling Claims Utilizing Agent's Draft Authority

This course addresses product knowledge of agent draft authority. The course is 2 hours of classroom instruction, including ½ hour of agent training on form completion and processing, designed to provide specific knowledge of covered losses, settlement, policy coverages and claim situations. This is an on-going offering.

SAFECO Education Center

Commercial General Liability

This course addresses product knowledge of commercial general liability insurance. The course is 12 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on liability, exposures, coverages, limits, conditions, claims, endorsements and commercial general liability rating. This is an on-going offering.

Commercial Inland Marine

This course addresses product knowledge of commercial inland marine insurance. The course is 16 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on coverage form provisions, inland marine builders' risk and installation floaters, the transportation industry, contractor's equipment, electronic data processing coverage and miscellaneous business. This is an on-going offering.

Commercial Property Basics

This course addresses product knowledge of commercial property insurance. The course is 12 hours of self-study correspondence text, with an independently monitored examination, designed to provide general information on property insurance, building and personal property forms and coverages, causes of loss,conditions and declarations, basic property rating and other property coverages. This is an on-going offering.

Commercial Property: Related Forms

This course addresses product knowledge of commercial property insurance. The course is 16 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on the building and personal property coverage, causes of loss, fluctuating value and related inland marine forms, business income, legal liability, builders' risk, glass and commercial condominium, and rating considerations. This is an on-going offering.

Contract Bonds

This course addresses product knowledge of contract bonds. The course is 7 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on contract bond coverages, pre-qualifying contractor accounts, underwriting contract bonds, specialty contractor risks and real estate investor risks. This is an on-going offering.

Crime and Employee Dishonesty

This course addresses product knowledge of crime insurance and employee dishonesty coverage. The course is 13 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on crime policy coverage, theft, burglary and robbery forms, forgery, fraud and extortion coverages, crime coverages for property of others and rating crime coverage. This is an on-going offering.

Dwelling Fire (Insurance)

This course addresses product knowledge of dwelling fire insurance. The course is 6 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on dwelling fire forms and coverages and condominium fire policies. This is an on-going offering.

Estimating Dwelling Replacement Cost

This course addresses product knowledge of replacement cost for residential buildings. The course is 12 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on defining, evaluating and estimating replacement cost of homes. This is an on-going offering.

Group Insurance Basics

This course addresses product knowledge of group insurance products. The course is 6 hours of self-study correspondence text, with an independently monitored examination, designed to provide basic information on group life, medical, disability and dental insurance, eligible groups and large groups. This is an on-going offering.

Homeowners Insurance

This course addresses product knowledge of homeowners insurance. The course is 16 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on homeowners policies, forms, coverages, eligibility, property and liability coverages, optional and mandatory coverages and special provisions, policy rating and exclusions. This is an on-going offering.

Personal Vehicle Coverages

This course addresses product knowledge of personal vehicle insurance. The course is 20 hours of self-study correspondence text, with an independently monitored examination, designed to provide specific information on legal liability, automobile liability, auto coverages, physical damage, rating, recreational coverages and personal umbrella coverages. This is an on-going offering.

Bell and Associates

Medicare Supplement Regulations

This course addresses product knowledge of Medicare supplement policies. The course is 2 hours of classroom instruction designed to provide general knowledge on Montana regulation of Medicare supplement policies, scope and applicability of the administrative rules, standard plans and additional benefits. The first offering of this course was August 2, 1994 in Butte.

National Health Insurance Issues

This course addresses product knowledge of current national health insurance issues. The course is 8 hours of classroom instruction designed to provide general information on current events and policies that affect health insurance products, providers and consumers, including legislative proposals, federal mandates and alternative solutions used elsewhere. The first offering of this course was August 1, 1994 in Butte.

Colonial Life & Accident

Income Reserve Annuity Class

This course addresses product knowledge and marketing capability for income reserve annuities. The course is 2 ¾ hours of classroom instruction, excluding 1 hour of agent training, designed to provide basic information on retirement annuities and benefits. The first offering of this course was August 1, 1994.

Business Insurance Concepts

This course addresses product knowledge of business insurance. The course is 2 hours of self-study correspondence text designed to provide general information on sole proprietorships, partnerships, corporations, business insurance, business loan insurance, key employee insurance and executive bonus plans. No offering is currently scheduled.

A Guide to Employee Benefits

This course addresses product knowledge of employee benefit insurance products. The course is 4 ½ hours of self-study correspondence text designed to provide specific information on group insurance, medical insurance, qualified retirement plans, short-term disability insurance and group life insurance. No offering is currently scheduled.

Flexible Benefits Program

This course addresses product knowledge of flexible benefits plans. The course is 4 hours of self-study correspondence text designed to provide general information on flexible benefit programs, insurance components of the program, flexible spending accounts and the benefits of these programs to the employer and employee. No offering is currently scheduled.

Rollins Hudig Hall

Risk Management & Financial Analysis

This course addresses management of risk management. The course is 18 hours of classroom instruction, including 1½ hours of insurance-related instruction, designed to provide specific information on financial analysis and accounting procedures and theories, accounting and economic gain from insurance settlements and self-insurance accruals. The first offering of this course was May 2, 1994.

ACORD

E & O and Your Automated Agency

This course addresses management of errors and omissions. The course is 3 hours of classroom instruction designed to provide methods of reducing errors and omission exposure. The first offering of this course was August 11, 1994 in Memphis, Tennessee.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Allied Group

New Agents Seminar

This course addresses product knowledge of personal auto, homeowners, inland marine, personal lines insurance and underwriting. The course is 36 hours of classroom instruction, including 16 hours of agent training, designed to provide basic information on various insurance types. The first offering of this course was April 18, 1994.

Redland Insurance/American Agrisurance

1995 Fall MPCI (Multi-peril Crop Insurance) Update

This course addresses product knowledge of multi-peril crop insurance. The course is 4 hours of classroom instruction designed to provide specific information on new federal crop insurance program provisions, policies, procedures and coverages. The first offering of this course was September 9, 1994 in Great Falls.

Society of Certified Insurance Counselors

The following course is part of the Certified Insurance Counselor certification program. The course is 20 hours of classroom instruction.

International/ James K. Ruble Seminar

Canada Life

1994 Selling Strategies Forum

This course addresses marketing capability and product knowledge of estate planning. The course is 9 hours of classroom instruction over 3 days, including 4 hours of agent training, designed to provide specific information on charitable estate planning, split dollar, family business transfer, family limited partnerships and protecting against errors and omissions. The first offering of this course was September 8, 1994.

Mass Mutual Life Insurance Company

1994 Business & Estate Planning School

This course addresses product knowledge of business insurance, employee bonus plans and estate plans. The course is 24½ hours of classroom instruction, including 3 hours of agent training, designed to provide specific knowledge of business protection, key employee insurance, qualified and non-qualified benefit plans, split dollar, deferred compensation, Section 162 and 457 plans, disability insurance, survivorship whole life and charitable plans. The first offering is December 12, 1994.

1994 Advanced Sales Seminar

This course addresses product knowledge of estate planning. The course is 8 hours of classroom instruction, including 2 hours of agent training, designed to provide specific information on family partnerships, qualified plans and charitable giving. The first offering was April 26, 1994 in Kansas City, Missouri.

1994 Career Development School

This course addresses product knowledge of life and disability insurance products. The course is 10 hours of classroom instruction, including 2 ¼ hours of agent training and ½ hour of ethics, designed to provide specific information on life and disability income insurance, client fact finding,ethics in life sales and maintenance and underwriting. The first offering was June 13, 1994 in Springfield, Massachusetts.

1994 Qualified Retirement Plan Seminar

This course addresses product knowledge of business retirement plans. The course is 13½ hours of classroom instruction designed to provide specific information on SEPs, profit sharing, 401(k) plans, target and defined benefit plans, life insurance in a qualified plan and applicable tax codes. The first offering was April 17, 1994.

Yellowstone Boys and Girls Ranch Foundation

Philanthropy and Estate Planning; Unique Estate Planning Tax Strategies

This course addresses product knowledge and marking capability of charitable estate plans using life insurance products. The course is 6¼ hours of classroom instruction designed to provide instruction on tax codes and life insurance products eligible for use in a charitable remainder trust. The first offering of this course was October 14, 1994 in Billings.

Chubb Life America

Buy Sell Planning Module

This course addresses product knowledge of life and disability income insurance. The course is 1 hour of classroom instruction designed to provide general information on markets, business valuation, term, permanent, first-to-die, second-to-die and premium payment methods. No offerings are currently scheduled.

Charitable Giving Module

This course addresses product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide general information on using life insurance to fund charitable giving. No offerings are currently scheduled.

Estate Planning Module

This course addresses product knowledge of life and disability income insurance. The course is 1 hour of classroom instruction designed to provide general information on using life and disability income insurance in estate planning. No offerings are currently scheduled.

Fringe Benefit Plans for Executives Module

This course addresses product knowledge of life and disability income insurance. The course is 1 hour of classroom instruction designed to provide general information on qualified and non-qualified plans, executive bonus, split dollar, salary continuation and deferred compensation plans. No offerings are currently scheduled.

Revenue Reconciliation Act of 1993 Module

This course addresses product knowledge of life and disability insurance. The course is 1 hour of classroom instruction designed to provide general information on the impact of the 1993 Tax Act on fringe benefits. No offerings are currently scheduled.

Variable Universal Life Module

This course addresses product knowledge of life and disability insurance. The course is 1 hour of classroom instruction designed to provide general information on variable universal life insurance. No offerings are currently scheduled.

Deferred Compensation Module

This course addresses product knowledge of life and disability insurance. The course is 1 hour of classroom instruction designed to provide general information on deferred compensation plans and how they work. No offerings are currently scheduled.

Executive Bonus Module

This course addresses product knowledge of life and disability insurance. The course is 1 hour of classroom instruction designed to provide general information on using life insurance to fund executive benefit plans. No offerings are currently scheduled.

Split Dollar Module

This course addresses product knowledge of life and disability insurance. The course is 1 hour of classroom instruction designed to provide general information on types of split dollar plans. No offerings are currently scheduled.

National Business Institute, Inc.

Advanced Workers' Compensation in Montana

This course addresses product knowledge of workers compensation in Montana. The course is 6 hours of classroom instruction designed to provide specific information on legislation, subsequent injury fund, appellate process, ethical obligations and subrogation. The first offering was September 13, 1994 in Missoula.

Colonial Life and Accident Insurance Company

Pension Maximization

This course addresses product knowledge of single-life annuities. The course is 2 hours of self-study correspondence text, including 1 hour of agent training, designed to provide general information on maximizing pensions using single-life annuities. No offering is currently scheduled.

Stand Alone AD & D (Accidental Death and Disability)

This course addresses product knowledge of accidental death and dismemberment insurance. The course is 2 hours of self-study correspondence text, including 1 hour of agent training, designed

to provide general information on accidental death and disability policy exclusions, riders and coverages. No offering is currently scheduled.

Montana College of Mineral Science and Technology

Business 211--Investments

This course addresses product knowledge of investments. The course is 30 hours of classroom instruction designed to provide general information on investment vehicles and strategies including: insurance, stocks, bonds and annuities. The course is offered fall semester 1994.

National Ag Underwriters Inc.

1994 Adjuster Meeting

This course addresses product knowledge of multi-peril crop insurance. The course is 15 hours of classroom instruction, including 4 hours of agent training, designed to provide specific information on new federal crop insurance program provisions, policies, procedures and coverages, crop appraisals and crop hail coverages. The first offering of this course was June 13, 1994 in Lewistown.

Grange Insurance Association

Introduction to ISO Personal Auto Policy

This course addresses product knowledge of personal automobile insurance. The course is 6 hours of classroom instruction, including 2 hours of agent training, designed to provide specific information on personal auto coverages, exclusions, endorsements and the effect for clients. The first offering of the course was July 1994.

Underwriting, Evaluating Risk, Selecting the Coverages to Meet the Clients and Companies Needs

This course addresses product knowledge of insurance underwriting. The course is 6 hours of classroom instruction designed to provide basic information on underwriting principles and underwriting personal automobile, commercial auto, commercial casualty, commercial property and farm insurance. The first offering of the course was July 1994.

Producers Financial Group

1994 Producers Financial Group University

This course addresses product knowledge of living trusts and estate planning. The course is 10 hours of classroom instruction, including 2 hours of agent training, designed to provide general information on market conduct, living trusts, estate planning, and annuity marketing, deferred compensation. The first offering of the course was July 19, 1994.

Columbus Life Insurance Company

Simple Solutions to Complex Problems

This course addresses product knowledge of estate planning. The course is 2 hours of video teleconference designed to provide general information on estate planning and valuation, asset assessment, estate taxes and asset trust using life insurance. The tele-conference was held June 22, 1994.

The Mutual Group (TMG) Life Insurance Company

1994 Sales Development Institute

This course addresses product knowledge of estate and retirement plans. The course is 7 hours of classroom instruction, including 4½ hours of insurance continuing education, designed to provide information on trusts, estate planning, retirement planning, pension maximization and non-qualified retirement plans. The course was offered August 9, 1994.

BEFORE THE STATE AUDITOR AND COMMISSIONER OF INSURANCE
OF THE STATE OF MONTANA

In the matter of the adoption of new rules implementing a continuing education program for insurance producers and consultants	)))))	NOTICE OF PUBLIC HEARING

TO: All Interested Persons.

1. On _____ at _____ o'clock __.m., MDT, a public hearing will be held in Room _____ of the _____ _____ Building, _____, Helena, Montana. The hearing will be to consider the proposed adoption of additional rules implementing reconsideration process for the continuing education program for insurance producers and consultants including reconsideration of credit hour assignment and reconsideration of course approval or denial of courses of instruction.

2. The proposed new rules provide as follows:

RULE I AMENDMENT TO A.R.M. 6.6.4202 by adding (14): (14) "Reconsideration" means a review of a previous determination by the commissionier, whether or not based upon a recommendation to the commissioner, by the insurance continuing education advisory council.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE II RECONSIDERATION OF COURSE CREDIT HOUR ASSIGNMENT

(1) A sponsoring organization may request reconsideration of the credit hour assignment given an insurance continuing education course by making such request to the commissioner, in writing, within 20 business days of first receiving notification of such insurance continuing education course credit hour assignment, by the commissioner.

(2) Upon reviewing a written request for reconsideration by a sponsoring organization, the commissioner may request additional course materials or require inclusion of additional course materials in support of the request for reconsideration by the sponsoring organization.

(3) Upon receiving a written request for reconsideration by a sponsoring organization, and any additional materials submitted to support such requests, the commissioner may make a determination on the request for reconsideration provided, however, the commissioner may submit such requests for reconsideration and supporting documentation to the Insurance Continuing Education Advisory Council for its recommendation upon said request for reconsideration.

(a) If requested by the commissioner, the Insurance Continuing Education Advisory Council shall make a recommendation to the commissioner on such request for

reconsideration. The Council will either recommend increase, decrease, or maintaining the initial commissioner decision on the assignment of credit hours to that particular continuing education course.

(4) In the event the commissioner has requested the recommendation of the Insurance Continuing Education Advisory Council regarding the sponsoring organization's request for reconsideration, the commissioner shall review such recommendation and either affirm his/her initial credit hour assignment determination or make any revisions to such determination as he/she deems appropriate.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE III RECONSIDERATION OF COURSE APPROVAL OR DENIAL

(1) At such time the commissioner has denied approval for a sponsoring organization's insurance continuing education course, such sponsoring organization may request reconsideration. The request shall be in writing, to the commissioner, within 20 business days of notification.

(2) Upon receipt of a request for reconsideration of course denial, the commissioner may request additional course material to support the request for reconsideration.

(3) The commissioner may, upon receipt of a request for reconsideration and any supporting material, refer such request for reconsideration to the Insurance Continuing Education Advisory Council, at its next full meeting.

(4) Upon the commissioner's referral of the sponsoring organization's request for reconsideration of course denial, the Insurance Continuing Education Advisory Council shall recommend to the commissioner whether the request for reconsideration by the sponsoring organization should be approved.

(5) Upon receipt of the recommendation of the Insurance Continuing Education Advisory Council, regarding a sponsoring organization's request for reconsideration, the commissioner shall either affirm his/her initial determination, or make any changes therein he/she deems appropriate.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE IV APPEAL In the event the commissioner has denied the sponsoring organization's request for reconsideration of either credit hour assignment or course approval, the sponsoring organization shall have the right of further appeal under Title 33, Chapter 11, Part 7 of the Montana Code Annotated.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203, 33-17-1204, and 33-1-701-711, MCA

3. Interested persons may present their data, views, or arguments, either orally or in writing, at the hearing. Written data, views, or arguments may also be submitted to Frank Cote',

Deputy Commissioner of Insurance, P.O. Box 4009, Helena, Montana 59604, and must be received no later than _____.

4. The State Auditor will make reasonable accommodations for persons with disabilities who wish to participate at this public hearing. If you request an accommodation, please contact the State Auditor's Office not later than 5:00 p.m., _____ _____ and advise the office of the nature of the accommodation needed. Please contact Frank Cote', Deputy Commissioner of Insurance, P.O. Box 4009, Helena, Montana 59604; telephone (406) 444-2997; toll free dial 1 and then 800-332-6148; fax (406) 444-3497.

5. _____, _____, Helena, Montana 59601, has been designated to preside over and conduct the hearing.

MARK O'KEEFE
State Auditor

By _____

_____
Rules Reviewer

Certified to the Secretary of State this _____ day of _____ _____, 1994.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - October 26, 1994

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Ron Ashabraner 2601 Broadway, Helena	STATE FARM INS	443-0694
Vickey L. Anderson Box 5593, Helena MT 59604	IIAM/MIEF	442-9555
Carrie Martin Box 5593, Helena MT	IIAM/MIEF	442-9555

Please print

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

September 22, 1994
Sam W. Mitchell Building -- Room 270

Call to order	3:00
Presentation of course summaries	3:05
Public Comment	3:15
Discussion of course summaries	3:45
Council direction to staff	4:00
Administrative Details - Next Meetings	4:05
October 26, 1994 - Helena 1 - 5 pm	
Adjourn	4:15

September 5, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes

September 22, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Ted Clark, Public Member
Ed Eck, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member

Staff Present

Frank Coté, Deputy Insurance Commissioner
Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

Presentation of Course Summaries

Arnold went over the Course Review Summaries, shown as Exhibit 1, and the Course Review Summaries Addendum, shown as Exhibit 2. There was some discussion.

Public Comment

Deputy Commissioner Coté read a draft proposal from State Farm. State Farm asked if there could be a blanket waiver allowing all agents a 3 month extension for getting their CE credit hours this

first year. Coté stated the Insurance Department's position is that extensions will be given on an individual basis to those who write and have valid reasons. Arnold said that 426 courses have been approved with over 7000 credit hours assigned. Coté stated the draft request for reconsideration process was in our legal department and should be done soon.

Discussion of Course Summaries

Leenknecht made a motion to approve all courses and submit them to the Commissioner. Bebee seconded the motion. Motion carried unanimously.

Council Direction to Staff

There was none.

Administrative Details - Next Meeting

The next meeting will be October 26, 1994, 1:00 to 5:00 p.m., in Helena.

Bolt made a motion to adjourn. Boon seconded the motion and it was carried unanimously.

Exhibit 1

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Insurance Sales Illustration Systems (ISIS)

Advanced Underwriting Concepts

This course addresses product knowledge and marketing of insurance underwriting. The course is 16 hours of computer-based classroom instruction designed to provide specific information on executive benefits, business uses of life insurance, estate planning techniques, estate taxation and analyzing and comparing life insurance policies. The first offering of this course was August 11, 1994.

Selling the Estate Owner

This course addresses product knowledge and marketing of planned estates. The course is 8 hours of computer-based classroom instruction designed to provide specific information on estate taxation and issues, irrevocable life insurance trusts and advanced estate concepts. No offerings are currently scheduled.

Selling the Business Owner

This course addresses product knowledge and marketing of business insurance products. The course is 8 hours of computer-based classroom instruction designed to provide general information on business continuation insurance, buy-sell planning, split dollar and executive bonus products, death and disability coverage in partnerships, corporations and S corporations, and key employee insurance products. No offerings are currently scheduled.

Selling Selective Executive Benefits

This course addresses product knowledge and marketing of executive benefit insurance products. The course is 4 hours of computer-based classroom instruction designed to provide general information on life, disability, executive bonus and split dollar insurance for business key employees. No offerings are currently scheduled.

Winning Strategies for Competition

This course addresses marketing and ethics of life insurance comparison. The course is 4 hours of computer-based instruction designed to provide specific information on life insurance product comparison for whole and term life and competitors policies. No offerings are currently scheduled.

ISIS Plus Financial Analysis

This course addresses marketing of life insurance. The course is 4 hours of computer-based classroom instruction designed to provide specific information on marketing appropriate life insurance products to clients with a financial background. No offerings are currently scheduled.

Family Sales Concepts

This course addresses product knowledge of individual life insurance policies. The course is 4 hours of computer-based classroom instruction designed to provide general information on individual life policies and using life insurance to fund mortgages, retirement and pensions. No offerings are currently scheduled.

Selling the Pre-retirement Market

This course addresses product knowledge and marketing of pre-retirement policies. The course is 4 hours of computer-based classroom instruction designed to provide general information on income replacement, triple split annuities, non-qualified deferred compensation and pension maximization. No offerings are currently scheduled.

Allied Group

Commercial I Agents Seminar

This course addresses product knowledge of commercial insurance. The course is 36 hours of classroom instruction designed to provide specific information on analyzing commercial insurance needs, coverages for property, commercial auto, workers compensation, business life and surety bonds. The first offering of this course was July 11, 1994.

Allstate Insurance Company

Comprehensive Life Training II

This course addresses product knowledge, ethics and marketing of comprehensive life insurance. The course is 4 hours of classroom instruction designed to provide general information on Montana life replacement regulations and forms, ethics of replacement policy fees, delivery of policies, sales referrals, convertibility of term life policies, add-ons and childrens policies. The first offering of this course was April 1, 1994.

PLANCO

A Tax Advantaged Savings Plan: Tax Deferred Annuities

This course addresses product knowledge of tax deferred annuities. The course is 3 hours of classroom instruction designed to provide general information on characteristics of annuities, taxability, contract structure and payouts on tax deferred annuities. No offerings of this course are currently scheduled.

Variable Annuities

This course addresses product knowledge of variable annuities. The course is 3 hours of classroom instruction designed to provide general information on costs, benefits, appropriate clients, taxes, fees and investing options. No offering of this course is currently scheduled.

Aiming for the Future with Market Value Adjustment Annuities

This course addresses product knowledge of deferred annuities. The course is 3 hours of classroom instruction designed to provide general information on characteristics of deferred annuities, income stream, education funding and concepts of market value adjustment. No offering of this course is currently scheduled.

Pre- and Post-retirement Planning

This course addresses product knowledge of retirement plans. The course is 3 hours of classroom instruction designed to provide general knowledge of retirement investments. No offering of this course is currently scheduled.

Financial Demographics

This course addresses marketing of annuities. The course is 3 hours of classroom instruction designed to provide general information on annuity ownership, investment strategies and mutual fund ownership. No offering of this course is currently scheduled.

401(k) Plans

This course addresses product knowledge of 401(k) plans. The course is 3 hours of classroom instruction designed to provide general information on features, common objections, advantages and rules regarding 401(k)s. No offering of this course is currently scheduled.

Life Insurance

This course addresses product knowledge of life insurance. The course is 3 hours of classroom instruction designed to provide basic information on various kinds of life insurance and the different uses for life insurance products. No offering of this course is currently scheduled.

National Association of Mutual Insurance Companies

Montana Insurance Seminar

This course addresses product knowledge of mutual insurance, underwriting, property valuation and errors and omissions coverage. The seminar is 11 ¾ hours of classroom instruction designed to provide basic information on the mutual insurance industry, underwriting principles and practices, farm building valuation, alternate farm-income and on-farm businesses, and errors and omissions insurance. The first offering of this course was June 2, 1994 in Bozeman.

National Life Insurance Company

Business Valuation

This course addresses product knowledge of valuing a business. The seminar is 2 hours of classroom instruction designed to provide general information on methods of business valuation, fair market value, asset valuation, appraisals and the impact of these issues on estate planning. No offering of this course is currently scheduled.

Planning with Life Insurance Trust

This course addresses product knowledge of life insurance trusts. The seminar is 2 hours of classroom instruction designed to provide general information on estate planning uses of life insurance, irrevocable trusts, gifting of policies and life insurance trusts. No offering of this course is currently scheduled.

Group Term Carve Out

This course addresses product knowledge and marketing of group term insurance. The seminar is 2 hours of classroom instruction designed to provide basic information on group term insurance, taxation issues, advantages of group plans and types of carve out plans. No offering of this course is currently scheduled.

Piper Jaffray

Small Business Workshop

This course addresses product knowledge of small business insurance. The course is 15 hours of classroom instruction designed to provide general information on small business insurance, valuation, retirement plans, life insurance needs and retirement plans. The first offering of this course was July 22, 1994.

The College of Insurance

Reinsurance Accounting and Auditing

This course addresses product knowledge of reinsurance audits. The course is 7 hours of classroom instruction designed to provide specific information on reinsurance accounting and audits. The first offering of this course is October 5, 1994.

Advanced Reinsurance

This course addresses product knowledge of reinsurance underwriting. The course is 14 hours of classroom instruction designed to provide specific knowledge on property and casualty underwriting, and programming property reinsurance. The first offering of this course is October 3, 1994.

Intermediate Reinsurance

This course addresses product knowledge of specialized reinsurance. The course is 14 hours of classroom instruction designed to provide specific knowledge of property catastrophe reinsurance, treaty underwriting and reinsurance agreements, insurance auditing and annual statements. The first offering of this course was March 9, 1994.

Principles of Reinsurance

This course addresses product knowledge and marketing of reinsurance. The course is 14 hours of classroom instruction designed to provide specific knowledge of reinsurance, the basis of reinsurance, excess of loss, and facultative reinsurance. The first offering of this course was March 7, 1994.

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Noble Continuing Education

Consumer Protection

This course addresses ethics. The course is 3 hours of self-study correspondence text designed to provide specific information on unethical and prohibited practices. This is an on-going offering.

Business Insurance

This course addresses product knowledge of business insurance products. The course is 16 hours of self-study correspondence text designed to provide specific information on business life, health, continuation and disability insurance, split dollar plans, nonqualified deferred compensation plans for partnerships and corporations. This is an on-going offering.

Property and Casualty-Property

This course addresses product knowledge of property insurance. The course is 22 hours of self-study correspondence instruction designed to provide specific information on aspect of property insurance, including: policy features, fire insurance, adjustment, water, radioactive and earthquake insurance, homeowners and farm owners policies and policies for specific perils. This is an on-going offering.

Safeco Life Insurance

Safeco Life Insurance Target Excellence Product Launch

This course addresses product knowledge of life insurance. The course is 3 hours of classroom instruction, including 2 ½ hours of agent training, designed to provide specific information on life insurance and the uses of Safeco's Target Excellence product. The first offering of this course was March 1994.

Estate Planning

This course addresses product knowledge of estate planning. The course is 3 hours of classroom instruction designed to provide general knowledge of estate planning needs, including applicability of annuities and life insurance products in estate planning. The first offering of this course was May 17, 1994.

Brokers License Services, Inc.

Introduction to Estate Planning

This course addresses product knowledge of estate planning. The course is 9 hours of self-study correspondence instruction designed to provide general knowledge of estate planning needs, including applicability of annuities and life insurance products in estate planning. This is an on-going offering.

Dearborn Financial Publishing

Introduction to Life Underwriting, 10th Edition

This course addresses product knowledge of life insurance underwriting. The course is 28 hours of self-study correspondence instruction designed to provide basic concepts of life insurance and client needs life insurance can fill. This is an on-going offering.

Mountain West Farm Bureau Mutual Insurance Company

The Farm Bureau Family Feud

This course addresses product knowledge of property insurance. The course is 1¾ hours of classroom instruction in a game show format designed to provide specific information on coverages of personal property policies, including fire, homeowners, farm, ranch and dwelling. The first offering of this course was February 11, 1994 in Billings, Montana.

National Business Institute, Inc.

Trying the Automobile Injury Case in Montana

This course addresses product knowledge of auto insurance. The course is 7½ hours of classroom instruction designed to address all aspects of prosecuting an automobile injury case in court. The instruction addresses the following insurance-related topics: property damage, settlements, coverages, exclusions from coverage, economic damage. This course was offered August 23, 1994 in Great Falls.

Prudential Insurance Company

Meeting the Need - A Commitment to Life

This course addresses product knowledge and marketing of life insurance. The course is 16¾ hours of classroom instruction designed to provide specific information on life insurance, client needs analysis, fact finding and appropriate policy recommendations. This course was offered June 15, 1994.

Farmers Insurance Group

Personal Auto Policy

This course addresses product knowledge of automobile insurance. The course is 2½ hours of classroom instruction designed to provide specific information on personal auto coverages, declarations, agreement and definitions, liability, medical payment and uninsured motorist coverage. This is an on-going offering.

Primerica Life Insurance Company

Advanced Life Insurance Policy Analysis

This course addresses product knowledge of life insurance. The course is 16 hours of teleconference instruction designed to provide specific information on life insurance policies, forms, contract characteristics, benefits, legal reporting requirements and fiduciary responsibilities. This teleconference was held September 17, 1994.

Safeco Life Insurance Co.

Selective Benefits

This course addresses product knowledge of various insurance products. The course is 12 hours of classroom instruction, including 2 hours of agent training, designed to provide general information on individual life insurance client demographics, variable annuities markets and variable life insurance, life insurance as a retirement supplement, key person split dollar and insurance outside an estate. This course was offered September 12, 1994.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

September 8, 1994
Sam W. Mitchell Building -- Room 270

Call to order	3:00
Montana Insurance Continuing Education	3:05
A year in review	
Presentation of course summaries	3:15
Public Comment	3:30
Discussion of course summaries	3:45
Council direction to staff	4:00
Administrative Details - Next Meetings	4:05
September 22, 1994 - phone conference October 26, 1994 - Helena 1 - 5 pm	
Adjourn	4:15

September 5, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes

September 8, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the conference room, State Auditor's Office, Sam Mitchell Building, at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Ted Clark, Public Member
Ed Eck, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary
Frank Coté, Deputy Insurance Commissioner

Montana Insurance Continuing Education - A Year in Review

Arnold went through the accomplishments of the advisory council and staff, shown as Exhibit 1.

Presentation of Course Summaries

Arnold went over the Course Review Summaries, shown as Exhibit 2. Arnold also told the advisory council members that she has written Horace Mann and asked for the additional materials the advisory council members requested.

Arnold went over the Course Review Summaries Addendum, shown as Exhibit 3. Coté spoke with Mr. Iverson concerning the course *Emphasis Group Health Products, Annuities and Credit Life.* The form being distributed states the course has 5 credit hours. Mr. Iverson will refrain from guaranteeing credit hours unless approved beforehand. Boon will audit this class.

Public Comment

No members of the public wre present.

Discussion of Course Summaries

Bebee made a motion to approve all the courses presented. Boon seconded the motion and it was carried unanimously.

Council Direction to Staff

Course approval is complete through May 12 submissions. The new employee for CE will begin September 12, 1994.

Administrative Details - Next Meeting

September 22, 1994, 3:00 p.m. will be the next teleconference meeting. October 26, 1994, 1 - 5 p.m. is the next meeting in Helena.

Boon made a motion to adjourn. Leenknecht seconded the motion and it carried unanimously.

Exhibit 1

Montana Insurance Continuing Education

A Year in Review

15 Advisory council meetings, including 2 administrative rules hearings

Developed, finalized, published and implemented program administrative rules

Sent approximately 45,000 pieces of mail to Montana insurance licensees

- CE rules, forms and license audits
- New licenses with CE compliance dates on each
- General queries

Sent approximately 2000 pieces of mail to course providers

- CE rules, laws and course submission forms
- Course provider survey

Received 850 course submissions

687 between January 1, 1994 and June 30, 1994

163 since July 1, 1994

Reviewed and approved 457 courses

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Society of Certified Insurance Counselors

The following course is part of the Certified Insurance Counselor certification program. The course is presented through classroom instruction.

Small Commercial Lines Seminar

American Society of CLU and ChFC

The following course is part of the Chartered Life Underwriter and Chartered Financial Consultant certification programs. The course is presented through classroom instruction.

1994 Sections Meeting

National Endowment For Financial Education (NEFE)
College for Financial Planning

The following courses are part of the Certified Financial Planner certification program. The courses are presented through self-study text with a proctored national examination.

CFP I: Fundamentals of Financial Planning
CFP II: Insurance Planning
CFP V: Retirement Planning & Employee Benefits

Exhibit 3

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Connole-Morton Schools

Montana State Law Update - Important Changes for Producers

This course addresses ethics and changes in Montana insurance statutes. The course is 1 hour of classroom instruction designed to provide an awareness of changes to Montana insurance laws by legislative action and court decisions. The first offering of this course is Sept 21, 1994 in Bozeman.

An Ethical Framework for Marketing Insurance Products: A Win-Win Approach

This course addresses ethics in marketing insurance products. The course is 3 hours of classroom instruction designed to provide specific information on ethics, ethics theory and applying ethical considerations in insurance marketing. The first offering of this course is September 21, 1994 in Bozeman.

Ethical Desires of the Client vs. Practical Limitations of the Profession - As Viewed by the Regulatory Referees

This course addresses ethics in dealings with insurance clients. The course is 3 hours of classroom instruction designed to provide specific information on ethics, ethics theory and applying ethics in the insurance profession. The first offering of this course is September 21, 1994 in Bozeman.

The Montana Supreme Court as an Underwriter: New Challenges for the Montana Insurance Industry

This course addresses product knowledge of Montana Supreme Court rulings that affect the insurance industry.. The course is 5 hours of classroom instruction designed to provide basic knowledge of Montana Supreme court rulings and the effect of those rulings on life, health, property, casualty and disability insurance and professional liability, and the areas most affected by those rulings. The first offering of this course is September 29,1994 in Kalispell.

Legal Liability of Montana Insurance Professionals

This course addresses product knowledge of agent liability in insurance transactions. The course is 2 hours of classroom instruction designed to provide basic knowledge of areas of potential agent liability, including: insurer insolvency, litigation, the principal-agency relationship and the damages that can be awarded. The first offering of this course is September 21, 1994 in Bozeman.

Montana Liability Law: Pitfalls for the Insurance Producer

This course addresses product knowledge of Montana liability laws. The course is 5 hours of classroom instruction designed to provide specific knowledge of the tort system and its uses regarding insurance, claims and negligence. The first offering of the course is September 21, 1994 in Bozeman.

Montana Contract and Agency Law: Friend or Foe of the Insurance Producer

This course addresses product knowledge of insurance policies as legal contracts. The course is 2 hours of classroom instruction designed to provide specific knowledge of the special characteristics of insurance contract and the treatment of these contracts in Montana law. The first offering of this course is September 21, 1994 in Bozeman.

Estate Planning, Wills and Trusts - Beyond the Basics

This course addresses product knowledge of estate planning, wills and trusts. The course is 5 hours of classroom instruction designed to provide basic knowledge of the role life and health insurance play in estate planning, irrevocable life insurance trusts and planning opportunities. The first offering of this course is September 21, 1994 in Bozeman.

What's Your Client's L & H Producer Needs to know about IRS Rules

This course addresses product knowledge of IRS rules. The course is 5 hours of classroom instruction designed to provide basic knowledge of tax implications of life, health and disability insurance, annuities and how to use this knowledge in estate planning. The first offering of this course is September 21, 1994 in Bozeman.

Pentera Group, Inc.

Long-Term Care Manual

This course addresses product knowledge of long-term care insurance. The course is 12 hours of self-study text designed to provide specific, in-depth information on long-term care, health, Medicare, medigap and Medicaid insurance and the relationship of each, underwriting long-term care products and consumer concerns. This is an on-going offering.

Northwestern National Life Insurance Company

Business Retirement Plans and Business Transfers - Lifetime and Death

This course addresses product knowledge and marketing of business retirement plans and business transfers. The course is 4 hours of seminar classroom instruction designed to provide specific information on qualified and non-qualified plans, ethical marketing practices for business retirement plans and buy-sell options, cross or entity purchase or stack redemption in business transfers. This seminar was offered June 12, 1994.

Estate Taxation

This course addresses product knowledge of estate taxation. The course is 1 hour of seminar classroom instruction designed to provide general information on estate taxation considerations including, insurance sinking funds, individual life and joint-survivor life insurance and corporate split dollar plans. This seminar was offered June 12, 1994.

Insurance Continuing Education from Montana Agents Service

Emphasis Group Health Products, Annuities and Credit Life

This course addresses product knowledge of group health products, annuities and credit life insurance. The course is 5 hours of classroom instruction designed to provide general information on group life and health insurance as employee benefits, annuities concepts and provisions, and coverages and provisions of credit life and disability insurance. The first offering of this course is September 12, 1994 in Kalispell.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

August 24, 1994
Sam W. Mitchell Building -- Room 270

Call to order	3:00
Presentation of course summaries	3:05
Public Comment	3:15
Discussion of course summaries	3:45
Council direction to staff	4:00
Administrative Details - Next Meetings	4:05
September 8, 1994 - phone conference September 22, 1994 - phone conference	
Adjourn	4:15

August 23, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes

August 24, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was scheduled in the State Auditor's office, Sam Mitchell Building at 3:00 p.m. Being unable to reach a quorum, the meeting was rescheduled for 3:30 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Ted Clark, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

Nelson called the meeting to order.

Presentation of Course Summaries

Arnold went over the Course Review Summaries, shown as Exhibit 1. No comment was made concerning these summaries.

Arnold went over the Course Review Summaries, Addendum 1, shown as Exhibit 2. Boon had a question concerning *Target Ethics*. Boon asked if the rules indicated that classes on ethics would be granted with reduced credit. Arnold replied that ethics was part of the law as a requirement of continuing education.

Boon also had a question concerning *Perpetuation Seminar,* put on by MGA Insurance Company Inc., and the 5 hours of supportive office skills. Boon was wondering if this would receive reduced credit hours. Arnold replied yes.

Boon had a question about *GEICO 1994 GFR Training Seminar* concerning agency professionalism and road service coverage. Arnold replied that it is part of the 4 hours of agent training identified in the course summary.

Leenknecht had a question on *Tax Deferred Life (403b) Product Training*, put on by Horace Mann Insurance Company. Leenknecht said he was not familiar with life insurance policies on 403(b) plan. Bebee said that it could be done. Leenknecht would like to withdraw this course from review and get more information on it. Arnold replied that she would write Horace Mann for more information.

Public Comment

There was none.

Discussion of Course Summaries

Boon made a motion to approve all courses, except the Horace Mann course. Leenknecht seconded the motion and it carried unanimously.

Council Direction to Staff

Leenknecht asked how many courses were approved. Arnold replied that 411 have been approved through April 5. Boon asked how many people are calling in asking us to re-evaluate the courses. Arnold replied there were 3 sponsoring organizations which had requested re-evaluation of course credit hour assignments.

Bebee asked how the hiring process was coming. Nelson replied that interviews are being done August 25 and 26. An additional employee should be hired within two weeks.

Administrative Details

It was decided to have teleconference meetings on September 8, and September 22, 1994, at 3:00 p.m. Arnold asked that the committee send their schedules in for October so she can set a date for a meeting in Helena. The tentative date for a meeting in Helena is October 26, 1994.

Boon made a motion to adjourn. Leenknecht seconded the motion and it carried unanimously.

Exhibit 1

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

The American College

The following course is part of the Certified Life Underwriter and Chartered Financial Consultant certification programs. All courses are presented through self-study correspondence instruction with a comprehensive examination.

HS 323 Individual Life Insurance

Life Underwriter Training Council

The following course is part of the Life Underwriter Training Council certification program. The course is presented through correspondence study.

Piecing Together the Ethics Puzzle

Society of Certified Insurance Counselors

The following course is part of the Certified Insurance Counselor certification program. The course is presented through classroom instruction.

Large Commercial Lines Seminar

American Society of CLU and ChFC

The following courses are part of the Chartered Life Underwriter and Chartered Financial Consultant certification programs. The course are presented through teleconference or classroom instruction.

Professional Development in Continuing Education (PACE)
Alexander Hamilton Life Summit

Chartered Property Casualty Underwriters Society

The following course is offered as part of the Chartered Property Casualty Underwriters certification programs. This course is offered through a teleconference.

Introduction to Claims
ACLM 74 - Accident Prevention
ACLM 75 - Property Protection
ACLM 76 - Occupational Health and Hygiene
APA 91 - Principles of Premium Auditing
APA 92 - Premium Auditing Applications
AIAF 111 - Statutory Accounting for Property and Liability Insurers
AIAF 112 - Insurance Information Systems
AIAF 113 - Insurance Company Finance
Introduction to Property and Liability Insurance
INS 21 - Property and Liability Insurance Principles
INS 22 - Personal Insurance
INS 23 - Commercial Insurance
AIC 33 - The Claims Environment
AIC 34 - Workers Compensation and Medical Aspects of Claims
AIC 35 - Property Loss Adjusting
AIC 36 - Liability Claims Adjusting
ARM 54 - Essentials of Risk Management
ARM 55 - Essentials of Risk Control
ARM 56 - Essentials of Risk Financing
AU 61 - Principles of Property and Liability Underwriting
AU 62 - Personal Lines Underwriting
AU 63 - Commercial Liability Underwriting
AU 64 - Commercial Property and Multi-line Underwriting
AAI 81 - Principles of Insurance Production
AAI 82 - Multiple-Lines Insurance Production
AAI 83 - Agency Operations and Sales Management
AMIM 121 - Ocean Marine Insurance
AMIM 122 - Inland Marine Insurance
ARe 141 - Principles of Reinsurance
ARe 142 - Reinsurance Practices
AFSB 151 - Principles of Suretyship
AFSB 152 - Contract Surety
AFSB 153 - Fidelity and Non-contract Surety
CPCU 1 - Ethics, Insurance Perspectives and Insurance Contract Analysis
CPCU 2 - Personal Risk Management and Insurance
CPCU 3 - Commercial Property Risk Management and Insurance
CPCU 4 - Commercial Liability Risk Management and Insurance
CPCU 5 - Insurance Operations
CPCU 6 - The Legal Environment of Insurance
CPCU 8 - Accounting and Finance
CPCU 10 - Insurance Issues and Professional Ethics

Montana eligible courses - AIC 34, 35 & 36; ARM 55 & 56; AU 63 & 64; ACLM 74, 75 & 76; APA 92; AIAF 112 & 113; AMIM 121 & 122; ARe 142; AFSB 151, 152 & 153; and INS 21, 22 & 23.

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Health Insurance Association of America (HIAA)

Group Life and Health Insurance, Part A

This course addresses product knowledge and marketing of group life and health insurance policy, Part A. The course is 40 hours of self-study text with a monitored examination, designed to provided specific information on the history of group insurance, types of benefits, coverages, marketing, underwriting, pricing and the group life and health insurance contract. This course is offered twice each year with examinations in May and November.

Group Life and Health Insurance, Part B

This course addresses product knowledge of group life and health insurance policy, Part B. The course is 40 hours of self-study text with a monitored examination, designed to provided specific information on group insurance administration, claim administration and processing, refund classes and interpreting financial results. This course is offered twice each year with examinations in May and November.

Group Life and Health Insurance, Part C

This course addresses product knowledge of group life and health insurance policy, Part C. The course is 40 hours of self-study text with a monitored examination, designed to provided specific information on the employer perspective on group insurance, managing costs, funding benefits, flexible benefit plans, group universal life, disability income claims, long-term care, retired employee needs and industry challenges. This course is offered twice each year with examinations in May and November.

Individual Health Insurance, Part A

This course addresses product knowledge and marketing of individual health insurance policy, Part A. The course is 40 hours of self-study text with a monitored examination, designed to provided specific information on the history of health insurance, types of coverages, marketing, underwriting, policy renewal and issue, and the health insurance contract. This course is offered twice each year with examinations in May and November.

Individual Health Insurance, Part B

This course addresses product knowledge of individual health insurance policy, Part B. The course is 40 hours of self-study text with a monitored examination, designed to provided specific information on health insurance claims, regulation, compliance reports, investments and controlling health care costs. This course is offered twice each year with examinations in May and November.

Long-Term Care

This course addresses product knowledge of long-term care insurance policies. The course is 40 hours of self-study text with a monitored examination, designed to provided specific information on long-term care insurance coverages and why long-term coverage is necessary, long-term care services and costs, government programs, product coverages and other methods of long-term care protection. This course is offered twice each year with examinations in May and November.

Yellowstone Valley Estate Planning Council

Estate Planning with Life Insurance

This course addresses product knowledge of irrevocable life insurance trusts. The course is 2 hours of classroom instruction designed to provide in-depth information on purposes, characteristics, types, using split-dollar and second-to-die in and provisions of irrevocable trusts. The first offering of this course was April 6, 1994.

Mutual of Omaha Companies

Business Markets Seminar

This course addresses product knowledge and marketing of business insurance products. The course is 32 hours of classroom instruction designed to provide specific information on business continuation, business overhead, medical reimbursement, sick pay plans, split dollar, deferred compensation and estate planning options using business insurance products. The dates of offering are to be announced.

Career Foundation Seminar

This course addresses product knowledge and marketing capability. The course is 53 hours of classroom instruction including 32 hours of agent training, designed to provide general information on business insurance, life insurance, disability income, corporate fraud, home and auto underwriting and life underwriting. This course was offered June 19, 1994.

Connecticut Mutual Life

ERISA (The Employee Retirement Income Security Act)

This course addresses product knowledge of qualified retirement plans. The course is 3 hours of classroom instruction designed to provide basic information on ERISA, TEFRA, REA, ERISA II and UC '92; and Internal Revenue Code, Sections 401(a), 401(k), 408(k), 404 and 415. This course was offered June 21, 1994.

The Variable Annuity Life Insurance Company (VALIC)

Asset Allocation and the Retirement Planning Process

This course addresses product knowledge of retirement planning methods. The course is 12 hours of classroom instruction designed to provide basic information on a retirement planning process, features and benefits of fixed and variable annuities, asset allocation, portfolio theory and client retirement plan review. This course was offered May 25, 1994.

First American Title Insurance Company

Intermediate/Advanced Title Class

This course addresses product knowledge of title insurance issues. The course is 11 hours of classroom instruction designed to provide advanced and updated information on title insurance formats, commitments and endorsements, mechanics, federal estate tax and judgement liens, underwriting, contracts for deed, and guarantees for foreclosure use and preparation. This course was offered June 9, 1994 in Kalispell, Montana and June 13, 1994 in Billings, Montana.

Insurance Business Consultants

Garage Risks Seminar

This course addresses product knowledge of insurance policies commonly used by automotive repair facilities. The course is 12 hours of classroom instruction designed to provide specific information on risk types, terminology, terms, coverages and information specific to garage policies. This course was offered June 26, 1994 in Philadelphia, Pennsylvania.

Commercial Union Insurance Co.

Personal Lines School for Agents (PLSA)

This course addresses product knowledge and marketing of personal lines insurance. The course is 62 hours of classroom instruction and examination with 14 hours of agent training, designed to provide specific information on homeowners policies, personal auto policies, umbrella policies and coverage, and marketing. This course is scheduled October 11, 1994 in Boston, Massachusetts.

Commercial Lines School for Agents (CLSA)

This course addresses product knowledge and marketing capability of commercial insurance lines. The course is 110 hours of classroom instruction and examination, designed to provide in-depth information on commercial property, boiler and machinery, umbrella and surety bond policies, retrospective rating, time of loss, crime, general liability, automobile, inland marine, computer and workers compensation coverage. This course is scheduled September 7, 1994 in Boston, Massachusetts.

United Investors Life Insurance Company

The following course is offered by United Investors Life Insurance Company through a contract agreement with Pictorial, Inc. United Investors is responsible for administering examinations for these courses as contracted. This course is self-study correspondence and is an ongoing offering. This course was summarized February 4, 1994.

Estate Planning Concepts

Pentera Group

Business Insurance Perspectives

This course addresses product knowledge of business insurance products. The course is 30 hours of self-study correspondence text with a monitored examination, designed to provide specific information on the business insurance market, sole proprietorships, partnerships, corporations, business interests, disposition agreements, key employee insurance, deferred compensation, split-dollar, and business health insurance. This is an on-going offering.

A Total Needs Approach to Insurance Planning

This course addresses product knowledge of total needs insurance planning. The course is 30 hours of self-study correspondence text with a monitored examination, designed to provide specific information on total insurance needs analysis, insurance planning and capital use. This is an on-going offering.

Retirement Planning Principles

This course addresses product knowledge of retirement planning. The course is 30 hours of self-study correspondence text with a monitored examination, designed to provide specific information on retirement plans, income sources, qualified plans, investment strategies, life insurance and retirement, health insurance, long-term care and estate planning. This is an on-going offering.

A Single Needs Approach to Insurance Planning

This course addresses product knowledge of life insurance planning. The course is 21 hours of self-study correspondence text with a monitored examination, designed to provide specific information on individual life insurance policy types, benefits and needs. This is an on-going offering.

Advanced Markets Manual and Orientation

This course addresses product knowledge of estate planning, business insurance, retirement plans and charitable giving. The course is 34 hours of self-study correspondence text with a monitored examination, designed to provide specific information on wills, trusts, gifts, death taxes, buy-sell agreements, deferred compensation, cafeteria plans, 401(k) plans, gift annuities and executive bonus plans. This is an on-going offering.

Annuities Training Course

This course addresses product knowledge of annuities. The course is 25 hours of self-study correspondence text with a monitored examination, designed to provide specific information on annuity types, client needs, income and estate taxation of annuities and qualified annuities. This is an on-going offering.

Disability Income Training Course

This course addresses product knowledge of disability income insurance. The course is 25 hours of self-study correspondence text with a monitored examination, designed to provide specific information on the need for disability income insurance, the basics of individual and business needs and disability income insurance plans and planning. This is an on-going offering.

Medicare and Medicare Supplement Training Course

This course addresses product knowledge of Medicare and Medicare supplement insurance. The course is 8 hours of self-study correspondence text with a monitored examination, designed to provide specific information on Medicare coverage and (Medigap) Medicare supplement policies. This is an on-going offering.

Life Underwriting Foundations

This course addresses product knowledge of life insurance underwriting. The course is 23 hours of self-study correspondence text with a monitored examination, designed to provide basic information on life insurance, underwriting life insurance, life insurance policy coverage and exclusions. This is an on-going offering.

Target Ethics

This course addresses ethics. The course is 25 hours of self-study correspondence text with a monitored examination designed to provide specific information on the legal and professional code of conduct for insurance licensees and the development of a personal code of ethical behavior. This is an on-going offering.

MGA Insurance Company Inc. (GAINSCO)

Perpetuation Seminar

This course addresses management of a general agency. The course is 12 hours of classroom instruction including 5 hours of supportive office skills, designed to provide specific information on creating an agency perpetuation plan and maintaining a general agency book of business over time. The first offering of this course was June 6, 1994 in Fort Worth, Texas.

Lutheran Brotherhood

Career III School - Charitable & Estate Planning

This course addresses product knowledge of estate planning and charitable donations. The course is 25 hours of classroom instruction designed to provide specific information on uses of life insurance, wills, trusts, revocable and irrevocable life insurance trusts, transfer trusts, lifetime gifts, charitable remainder trusts, lead trusts and gift annuities in estate and charitable planning. This course scheduled for October 9, 1994.

Career III School - Business, Retirement and Pension Planning

This course addresses product knowledge of business, retirement and pension plans. The course is 25 hours of classroom instruction designed to provide basic information on business insurance plans, deferred compensation, split dollar, executive bonus, reverse split dollar, group term carve outs, pension profit sharing business continuation planning, retirement plan distributions and plan funding. This course was offered July 10, 1994.

Career II School

This course addresses product knowledge of insurance planning. The course is 16 hours of classroom instruction designed to provide basic information on estate, pension, retirement, business, charitable, distribution, deferred giving plans and planning. This course was offered May 1, 1994.

Alliance Insurance Companies

Fundamentals of Farm & Business Auto

This course addresses product knowledge of farm and farm business automobile insurance. The course is 6 hours of classroom instruction, including 3 hours of agent training, designed to provide basic information on farm and ranch owners dwelling and personal property coverage, farm building and structure coverage, inland marine applicability, personal liability and medical payments, business auto policies and personal excess liability. This course was offered April 15, 1994 in Missoula.

State Farm Insurance

The Life Insurance Illustration Questionnaire

This course addresses product knowledge of life insurance. The course is two hours of classroom and videotape instruction designed to provide information on the variables that affect life insurance costs and coverage, including mortality, interest of crediting rates, expenses and persistency. This is an on-going offering.

Edward D. Jones & Co.

EDJ Course 6 - Annuities

This course addresses product knowledge of annuities. The course is 38 hours of self-study correspondence text, designed to provide specific information on annuities, traditional insurance company annuities and management, deferred fixed and deferred variable annuities, income producing annuities, taxation, qualified plans using annuities and compliance issues. This is an on-going offering.

Government Employees Insurance Company (GEICO)

1994 GFR (General Field Representative) Training Seminar

This course addresses product knowledge on many auto and personal lines insurance products. The course is 12 hours of classroom instruction, including 4 hours of agent training, designed to provide information on non-standard auto insurance, auto, international and property insurance underwriting, agency professionalism, field claims, emergency road service coverage and specialty markets. This course was offered June 10, 1994 in Seattle, Washington.

Horace Mann Insurance Company

Tax Deferred Life (403b) Product Training

This course addresses product knowledge of 403(b) tax deferred life products. The course is 8 ½ hours of classroom instruction including 3 hours of agent training designed to provide information on life insurance in a 403(b) plan, a comparison with standard life insurance and advantages and disadvantages of the plan. This course was offered July 25, 1994.

NFIP (National Flood Insurance Program

National Flood Insurance Program Flood Insurance Seminar

This course addresses product knowledge of the National Flood Insurance Program. The course is 4 hours of classroom instruction designed to provide information on the National Flood Insurance Program, application process and changes in the program. This course was offered May 15, 1994.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

July 28, 1994
Sam W. Mitchell Building -- Room 270

Call to order	3:00
Presentation of course summaries	3:05
Public Comment	3:15
Discussion of course summaries	3:45
Council direction to staff	4:00
Administrative Details - Next Meeting	4:05
Adjourn	4:15

July 22, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes

July 28, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order at the State Auditor's office, in the Sam Mitchell Building at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Ted Clark, Public Member
Ed Eck, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

A list of other parties present is attached as Exhibit 1.

Nelson called the meeting to order, welcoming new member Ed Eck.

Presentation of Course Summaries

Arnold went over the Course Review Summaries, shown as Exhibit 2.

Eck had a question about the course *Income Continuation and Retirement Planning*, and the broad coverage in the 7 hours. Arnold replied that it was an introductory course.

Clark had a question on the course *Property and Inland Marine* concerning the length of hours for one day. Arnold replied that the rules call for an 8 hour maximum number of course hours to be given in one day. This course will be given less credit hours than requested because of the 8 hour limit guideline.

Arnold went over the Course Review Summaries Addendum, shown as Exhibit 3. Bebee asked where Montana Fringe Benefits was located. Arnold replied Great Falls.

Public Comment

There was none.

Discussion of Course Summaries

After some discussion, Boon made a motion to accept all of the courses presented. Clark seconded the motion and it carried unanimously.

Council Direction to Staff

Boon asked through what submission date had courses been reviewed. Arnold replied that they are done through April 9th. Thus far, 368 courses have been reviewed and given credit hours with 52 approved sponsoring organizations.

Clark asked about the other full-time FTE. Arnold replied the position is in the hiring process.

Leenknecht asked if there was a summary sheet with credits assigned to courses. Arnold replied she would have a revised one available today.

Bolt asked about the budget. Arnold said we were okay for fiscal year 1994. The figures are not final. Arnold said that there were approximately 20 additional course submissions since the first of July, some being submitted by sponsoring organizations who have already met their maximum course submission fee.

Administrative Details - Next Meeting

It was decided to have a teleconference meeting on August 24, 1994, at 3:00 p.m. Arnold asked that the committee send their schedules in for the next couple of months so meeting dates may be set.

Bolt made a motion to adjourn. Boon seconded the motion and it carried unanimously.

Exhibit 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - July 28, 1994

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Ron Abrahamson 2601 Broadway	State Farm Ins	443 0694

Please print

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Aviation Insurance Association

Aviation Insurance Seminar 5/94A

This course addresses product knowledge of specialized aviation insurance areas. The course is 4 hours of classroom instruction designed to provide specific information on hanger and business property insurance, non-resident insurance licensing methods, comprehensive general liability in aviation and FAA enforcement proceedings and the effects of those actions. The first offering of this course was May 1, 1994 in Atlanta, Georgia.

iation Insurance Seminar 5/94B

This course addresses product knowledge of specialized aviation insurance areas. The course is 4 hours of classroom instruction designed to provide specific information on non-standard aviation coverages, international claims, workers compensation and flight crew training for loss control. The first offering of this course was May 3, 1994 in Atlanta, Georgia.

The Guardian

Income Continuation and Retirement Planning

This course addresses product knowledge of income continuation and retirement insurance. The course is 7 hours of classroom instruction designed to provide general information about income continuation planning, sick pay plans, buy/sell agreements, clients and underwriting, 401(k) plans, administering pensions and designing individual disability plans. The first offering of this course was May 2, 1994.

Staeheli Seminars

Fast Track I

This course addresses product knowledge of sole proprietorships, key employee and charitable gifts of insurance. The course is 15 hours of classroom instruction designed to provide specific knowledge of sole proprietorship insurance needs, key employee insurance and charitable gifts of insurance and how to make such gifts. The first offering of this course was May 26, 1994 in Scottsdale, Arizona.

Fast Track Personal Auto

This course addresses product knowledge of personal auto coverage and ethics. The course is 15 hours of classroom instruction designed to provide in-depth knowledge of personal automobile insurance, no fault insurance, and endorsements and ethical considerations and professionalism in the insurance industry. The first offering of this course is October 3, 1994 in Charlotte, North Carolina.

Chartered Property Casualty Underwriters Society

The following course is offered as part of the Chartered Property Casualty Underwriters certification program. This course is offered through a teleconference.

High Tech Underwriting: Mastering the Wind Peril

Insurance Business Consultants

Property and Inland Marine

This course addresses product knowledge of commercial property and inland marine insurance. The course is 12 hours of classroom instruction, with the course of instruction on Day 2 being 9 hours long. The course is designed to provide specific knowledge of commercial property insurance, cause of loss, endorsements, and inland marine coverages. The first offering of this course was July 9, 1994 in Kansas City, Missouri.

First American Title Insurance Company

First American's Annual Escrow Seminar

This course addresses product knowledge and ethics of escrow and title insurance. The course is 11 ½ hours of classroom instruction designed to provide updated information on tax deferred exchanges, delivery into escrow, the closing process, Montana rates, policies and endorsements and Montana Insurance regulations. The first offering of this course was May 23, 1994 in Great Falls, Montana.

Alexander & Alexander, Inc

General Liability and Umbrella Excess

This course addresses product knowledge of general liability insurance and umbrella and excess liability. The course is 6 ¾ hours of classroom instruction, including 1 hour of agent training, designed to provide specific knowledge of general liability and umbrella coverage, exclusions, employers liability, personal injury and endorsements. The first offering of this course was May 23, 1994 in Owings Mills, Maryland.

The American College

The following courses are part of the Certified Life Underwriter and Chartered Financial Consultant certification programs. All courses are presented through self-study correspondence instruction with a comprehensive examination.

CE 152 Disability Income: The Changing Environment

Life Instructors Inc.

Advanced Technical Background for Needs Selling

This course addresses marketing capability through needs assessment. The course is 15 hours of computer self-study designed to provide specific knowledge of assessing a clients need for various insurance types. This is an on-going offering.

Lutheran Brotherhood

LBU '94 Summer School

This course addresses product knowledge of annuity, pension, non-qualified life and pension products. The course is 11 ¼ hours of classroom instruction designed to discuss various insurance issues, including tax sheltered annuities, charitable and distribution planning, pension maximization and taxation of non-qualified life insurance. The first offering of this course is May 31, 1994 in Seguin, Texas.

National Association of Insurance Women (International)

The following courses are part of the Certified Professional Insurance Women certification program. All courses are presented through classroom instruction.

Umbrella Coverages
Industry Forecast & the Changing Landscape
Employer Liability
Environmental Claims

Life Underwriter Training Council

The following courses are part of the Life Underwriter Training Council certification program. The courses are presented through classroom presentations.

Pieces of Eight
Million Dollar Round Table

Chicago Title Insurance Company

Underwriting Skills 1994

This course addresses product knowledge of title insurance underwriting. The course is 7 hours of classroom instruction designed to provide specific knowledge about good title insurance practices, examination of titles and improving title underwriting. The first offering of this course was June 11, 1994.

Contractors Bonding and Insurance Company

Contract Bonds: The Participants, the Underwriting and a case study

This course addresses product knowledge of surety bonding. The course is 3 hours of classroom instruction designed to provide an understanding of bonding financial considerations, General Indemnity Agreements and bond defaults. The first offering of this course has not been determined.

Court Decisions on Bonding

This course addresses management of surety bonding. The course is 3 hours of classroom instruction designed to provide specific information on legal decisions regarding responsibility for property damage, liability in contract bonds, General Indemnity Agreements, blacklisting of sureties and bond penalties. The first offering of this course has not been determined.

Grange Insurance Association

Business Auto Policy

This course addresses product knowledge and marketing of business automobile insurance. The course is 6 hours of classroom instruction designed to compare and contrast various business auto policies. The first offering of this course was scheduled for May 1994.

Exhibit 3

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Farmers Insurance Group

Career School

This course addresses product knowledge and agent marketing capability of insurance underwriting practices and procedures. The course is 35 hours of classroom instruction, including 8 hours of agent training, designed to provide broad knowledge of automobile and property underwriting and verification, agency management issues, life insurance basics and claims. This is an on-going offering.

Special Restaurant Package

This course addresses product knowledge of restaurant coverages. The course is 2 hours of classroom instruction, including 1 hour of agent training, designed to provide specific knowledge of restaurant needs, coverages, additional risks to identify and Farmers Insurance Group policy specifics. This is an on-going offering.

Mercantile Sentinel Mini-Clinic

This course addresses product knowledge of small business mercantile insurance. The course is 3 hours of classroom instruction, including 1 hour of agent training, designed to provide specific knowledge of mercantile insurance needs, risks coverages and Farmers Insurance Group policy specifics. This is an on-going offering.

CSTP I - Farm and Ranch Sentinel

This course addresses product knowledge of farm and ranch insurance policies. The course is 3 hours of classroom instruction, including 1 ½ hours of agent training, designed to provide specific knowledge of farm and ranch insurance needs, coverages, risks and Farmers Insurance Group policy specifics. This is an on-going offering.

CSTP I - Commercial Crime Insurance

This course addresses product knowledge of commercial crime insurance. The course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide specific knowledge of commercial crime coverages, risks, needs and Farmers Insurance Group policy specifics. This is an on-going offering.

Specialty Contractor Package

This course addresses product knowledge of contractor insurance. The course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide specific knowledge on risks, needs and coverages for contractors and Farmers Insurance Group policy specifics. This is an on-going offering.

CSTP I - Commercial Vehicles

This course addresses product knowledge of commercial vehicle insurance. The course is 2 hours of classroom instruction, including ½ hour of agent training, designed to provide specific knowledge of commercial vehicle coverages, underwriting, needs and Farmers Insurance Group policy specifics. This is an on-going offering.

Service Sentinel Mini-Clinic

This course addresses product knowledge of insurance for service businesses. The course is 2 hours of classroom instruction, including 1 hour of agent training, designed to provide specific knowledge of the service business industry, needs, risks, coverages and Farmers Insurance Group policy specifics. This is an on-going offering.

CSTP I - Commercial Property

This course addresses product knowledge of commercial property insurance. The course is 3 hours of classroom instruction, including ½ hour of agent training, designed to provide specific knowledge of commercial lines, commercial property risks, coverages and Farmers Insurance Group policy specifics. This is an on-going offering.

CSTP I - Commercial General Liability

This course addresses product knowledge of commercial general liability insurance. The course is 3 hours of classroom instruction, including 1 hour of agent training, designed to provide specific knowledge of commercial general liability insurance coverages, risks, underwriting exclusions and Farmers Insurance Group policy specifics. This is an on-going offering.

Montana Fringe Benefits

Living Trusts, Wills, Powers of Attorney & Other Confusing Stuff

This course addresses estate planning. The course is 10 hours of classroom instruction, including 2 ½ hours of instruction on uses of insurance and annuities in trusts and estates. This is an on-going offering.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

June 29, 1994
Sam W. Mitchell Building -- Room 270

Call to order	3:00
Presentation of course summaries	3:05
Public Comment	3:15
Discussion of course summaries	3:45
Council direction to staff	4:00
Administrative Details - Next Meeting	4:05
Adjourn	4:15

June 28, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes

June 29, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order at the State Auditor's office, in the Sam Mitchell Building at 3:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Ted Clark, Public Member

Staff Present

Mary Arnold, Continuing Education Program
Frank Coté, Deputy Insurance Commissioner
Nita Holman, Recording Secretary

A list of other parties present is attached as Exhibit 1.

Nelson told the committee that Mark O'Keefe has appointed Ed Eck to fill the public member position on the council formerly held by Steve Bahls. Mr. Eck is a professor at the law school.

Presentation of course summaries

Arnold presented the course review summaries, attached as Exhibits 2 and 3, to the council. Boon was concerned that the New York Life Company course *Variable Universal Life* used the wording "specific knowledge" in their review and asked the staff to remember that when reviewing the course for credit hours. Clark was concerned that it was for 1 1/2 hours and not 1 or 2.

Arnold told the committee that all of the courses on the Addendum were Pictorial courses. Transamerica Occidental Life Insurance has submitted seven courses under contract from Pictorial. Boon had a question on the IRA course. Boon asked if this was insurance. Arnold said this course talks about using insurance products as an alternative to individual retirement accounts.

Clark had a question about how necessary the *Workers' Compensation Rating* course was. Boon said that it was very necessary and looked like an excellent course.

Public comment

There was none.

Discussion of course summaries

Clark made a motion to accept all of the courses for approval. Boon seconded the motion. Motion carried unanimously.

Council direction to staff

Boon asked through which submission date courses have been reviewed. Arnold replied through March 17th. 50 courses were approved today.

Nelson told the staff that he does have applications in for the new FTE and is going through them at this time. He is hoping to have someone hired by the next meeting.

Bebee asked if the Connole Morton School has submitted their courses yet. Arnold said Connole Morton submitted courses the first part of June. The courses have not been reviewed yet. Arnold said that the courses will be retroactive for credits. Bebee told the council that Connole Morton's brochure states people can get a certain number of credits for taking specific courses. Bebee will fax this to Arnold for her review. Arnold will speak with Connole Morton.

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Insurance Business Consultants

Principles and Practices of Insurance Operations and E & O Prevention

This course addresses product knowledge and management of general agencies and errors and omissions. The course is 12 hours of classroom instruction for general agents and their employees designed to explain general agency and the errors and omissions the agency may experience. The first offering was May 1, 1994 in Irvine, California.

Society of Certified Insurance Counselors

The following courses are part of the Certified Insurance Counselor certification program. All of the courses listed are presented through classroom presentations of 20 hours. The sponsoring organization has requested all 1994 offerings of these courses be approved for Montana continuing education credit.

Truckers--James K. Ruble Seminar
Risk Management--James K. Ruble Seminar
Sales Management--James K. Ruble Seminar
Small Commercial--James K. Ruble Seminar

UNUM Life Insurance Company

Long Term Care and Disability Management

This course addresses product knowledge of long term care and disability insurance. The course is 4 hours of classroom instruction, including 2 3/4 hours of agent training, designed to provide general knowledge of long term care and disability product differences and sales. This is an on-going offering.

Northwestern Mutual Life

Advanced Planning School

This course addresses product knowledge of individual product marketing. The course is 20 1/2 hours of classroom instruction with sessions on the estate marketplace, estate planning, executive benefit plans, buy-sell agreements, family businesses, business life insurance, split dollar, qualified plans, SERP and deferred compensation and fringe benefits for employees of tax exempt organizations. The first offering of this course was April 18, 1994 in Milwaukee, Wisconsin.

Fidelity Investments, Institutional Services Company, Inc.

Variable Annuities, Client Needs Analysis/Asset Allocation

This course addresses product knowledge of client need analysis. The course is 1 hour of classroom instruction designed to provide general knowledge of the needs analysis/asset allocation questionnaire. This is an on-going offering.

Society of Certified Insurance Service Representatives

The following courses are part of the Certified Insurance Service Representative certification program. All of the courses listed are presented through classroom presentations of 8 hours. The sponsoring organization has requested all 1994 offerings of these courses be approved for Montana continuing education credit.

Agency Operations
Introduction to Commercial Casualty
Introduction to Commercial Property
Insuring Personal Automobile Exposures
Insuring Personal Residential Property

The American Society of CLU & ChFC

1994 CLU Institute, Charleston, South Carolina, May 23 through 27, 1994

Austin Mutual Insurance Company

Property & Casualty Insurance Education Workshop

This course addresses product knowledge of property and casualty products. The course is 3 ½ hours of classroom instruction, including 45 minutes of agent training, designed to provide general knowledge of current property and casualty issues, commercial lines insurance, claims management and personal lines insurance. The first offering of this course was May 16, 1994.

State Farm Insurance

Handling Claims Utilizing Agents' Draft Authority

This course addresses marketing capability of agent's draft authority. The course is 3 hours of classroom instruction, including 1 ¼ hours of agent training, designed to provide specific knowledge of claim situations, claim applications, liability limits and common additional policy coverages. This is an on-going offering.

National Association of Professional Insurance Agents

Tactics to Protect Yourself and Your Agency Against the Causes of Errors and Omissions

This course addresses product knowledge of errors and omissions insurance. The course is 5 hours of self-study text and videotape instruction, designed to provide specific knowledge of errors and omissions insurance functions, controlling errors and omissions claim rates and integrating procedures to reduce claims. This is an on-going offering.

Provident Life and Accident

Disability Insurance Marketing Analysis II

This course addresses product knowledge of advance salary continuation planning. The course is 2 hours of classroom instruction, designed to provide specific knowledge of Sections 105 and 125 of Internal Revenue Code, split dollar, business buy-out, group and individual disability plans. The first offer date has not been determined.

New York Life Insurance Company - Montana

Variable Universal Life

This course addresses product knowledge and marketing capability of variable universal life insurance. The course is 1 ½ hours of classroom instruction, including 1 hour of agent training, designed to provide specific knowledge on the new New York Life variable universal life policy and general knowledge on variable universal life insurance. The first offering of this course was February 22, 1994 in Billings.

Exhibit 3

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Pictorial, Inc.

Business Insurance Basics

This course addresses product knowledge of business insurance products. The course is 18 hours of self-study text, designed to provide basic information on taxation of life insurance and annuities, retaining and selling the business interest, key person, split-dollar, group and business loan insurance, qualified retirement plans, and executive bonus plans. This is an ongoing offering.

Group Insurance

This course addresses product knowledge of group insurance. The course is 12 hours of self-study text, designed to provide specific information on taxation of group benefits, characteristics of group plans and group life and health, and servicing these plans. This is an ongoing offering.

Individual Retirement Accounts

This course addresses product knowledge of individual retirement accounts. The course is 12 hours of self-study text, designed to provide specific information on individual retirement accounts, eligibility, contributions, distributions, taxation and rollover, comparisons with Keoghs and qualified corporate plans and funding methods. This is an ongoing offering.

Interest-Sensitive Whole Life

This course addresses product knowledge of interest sensitive whole life policies. The course is 10 hours of self-study text, designed to provide specific information on the features of interest sensitive whole life insurance products. This is an ongoing offering.

Introduction to Life Insurance

This course addresses product knowledge and marketing capability of life insurance. The course is 30 hours of self-study text' designed to provide extensive knowledge of life insurance concepts, marketing and sales. This is an ongoing offering.

Needs Analysis

This course addresses marketing capability of insurance products through needs analysis. The course is 28 hours of self-study text, designed to provide basic knowledge of various insurance products and specific information on analyzing the need for each product by each client. This is an ongoing offering.

Retirement Planning

This course addresses product knowledge and marketing capability of retirement income products. The course is 12 hours of self-study text, designed to provide specific knowledge of various retirement savings and investment plans, the benefits and drawbacks of each plan type and effective sales methods. This is an ongoing offering.

Universal Life Basics

This course addresses product knowledge and marketing capability of universal life insurance products. The course is 8 hours of self-study text, designed to provide basic information on universal life insurance, comparisons with other life policies and markets for universal life insurance. This is an ongoing offering.

Pictorial, Inc. continued

Variable Contracts

This course addresses product knowledge of variable annuities and life insurance. The course is 16 hours of self-study text, designed to provide specific information on variable life insurance and variable annuities and draw comparisons between these and other life insurance products. This is an ongoing offering.

Variable Universal Life Basics

This course addresses product knowledge of variable universal life insurance. The course is 10 hours of self-study text, designed to provide specific information on features of variable universal life insurance and compare these features with other policies, and securities regulation. This is an ongoing offering.

1984 Homeowners Coverage

This course addresses product knowledge of the standard homeowners policy. The course is 16 hours of self-study text, designed to provide specific information on homeowners policy coverage, homeowner forms, personal property coverages, liability coverages, conditions and endorsements. This is an ongoing offering.

Dwelling & Homeowners Rating

This course addresses product knowledge of the 1989 dwelling policy. The course is 18 hours of self-study text, designed to provide specific information on eligibility, premium computations, coverages, the 1984 homeowners policy, factor rating, policy modifications and premiums. This is an ongoing offering.

Pictorial, Inc. continued

Dwelling Coverage

This course addresses product knowledge of dwelling coverage. The course is 16 hours of self-study text, designed to provide specific information on dwelling and personal property insurance, basic, broad and special forms and personalizing dwelling coverage. This is an ongoing offering.

Personal Auto Coverage

This course addresses product knowledge of personal automobile insurance. The course is 12 hours of self-study text, designed to provide specific information on the basic personal auto policy, declarations and parts A, B, C, D, E and F, endorsements and no-fault auto insurance. This is an ongoing offering.

Personal Auto Rating

This course addresses product knowledge of auto rating. The course is 12 hours of self-study text, designed to provide general information on rating operators, autos and other factors to identify effects on premium and risks to an insurance company. This is an ongoing offering.

Personal Inland Marine & Watercraft Coverage

This course addresses product knowledge of personal inland marine and watercraft products. The course is 14 hours of self-study text, designed to provide general information on ocean and inland marine insurance, personal inland marine, unscheduled personal and personal article floaters, watercraft, outboard motor, boat policies and boat owner packages and yacht policies. This is an ongoing offering.

Reinsurance Basics

This course addresses product knowledge of reinsurance. The course is 15 hours self-study test, designed to provide general knowledge of reinsurance, contracts, pro rata and excess of loss treaty reinsurance and comparisons of these policies and facultative reinsurance. This is an ongoing offering.

Pictorial, Inc. continued

Umbrella Liability Coverage

This course addresses product knowledge of umbrella policies. The course is 14 hours of self-study text, designed to provide general knowledge of common provisions, conditions and exclusions, personal and commercial umbrella liability policies, and commercial policy conditions and exclusions. This is an ongoing offering.

Underwriting Basics

This course addresses product knowledge of underwriting. The course is 18 hours of self-study text, designed to provide basic information on underwriting concepts, information analysis, underwriting on specific lines and reinsurance. This is an ongoing offering.

Workers Compensation Rating

This course addresses product knowledge of workers compensation rating. The course is 16 hours of self-study text, designed to provide general knowledge of rating workers compensation risk. This is an ongoing offering.

Transamerica Occidental Life Insurance

The following courses are offered by Transamerica Occidental Life Insurance Through a contract agreement with Pictorial, Inc. Transamerica is responsible for administering examinations for these courses as contracted. All of these courses are self-study correspondence and are ongoing offerings. These courses are summarized above.

Business Insurance Basics
Group Insurance
Individual Retirement Accounts
Interest Sensitive Whole Life Basics
Introduction to Life Insurance
Universal Life Basics
Variable Contracts

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

May 25, 1994 Meeting
State Capitol Building, Room 402

Call to order	1:00
Review and Approval of Minutes	1:05
Meetings of -- March 29, 1994 April 12, 1994 May 5, 1994	
Presentation of course summaries	1:15
Presentation of draft request for reconsideration	1:40
Old Business	2:00
Additional material submitted at advisory council request	
Public Comment	2:30
Break	3:00
Discussion of course summaries	3:15
Discussion of draft request for reconsideration	3:45
Council direction to staff	4:30
Administrative Details - Next Meetings - Proposed dates	4:55
June 29, 1994 - Teleconference July 27, 1994 - Teleconference August 10, 1994 - Teleconference August 31, 1994 - Helena	
Adjourn	5:00

Insurance Continuing Education Advisory Council

Minutes

May 25, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The meeting of the Insurance Continuing Education Advisory Council was called to order in Conference Room 402 of the State Capitol Building at 1:00 p.m. by Mark Nelson.

Members Present

Mark Nelson, Insurance Department Non-Voting Member
John Bebee, Unaffiliated Insurance Agent Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member
Robin Boon, Independent Insurance Agents of Montana Member
Ted Clark, Public Member
Steve Bahls, Public Member

Staff Present

Mary Arnold, Continuing Education Program
Frank Coté, Deputy Commissioner of Insurance
Nita Holman, Recording Secretary

A list of other parties present is attached as Exhibit 1.

Review and Approval of Minutes

March 29, 1994 minutes - Bebee made a motion to accept the minutes. Bahls seconded the motion. Motion carried unanimously.

April 12, 1994 minutes - Bahls made a motion to accept the minutes. Leenknecht seconded the motion. Motion carried unanimously.

May 5, 1994 minutes - Bahls made a motion to accept the minutes. Bebee seconded the motion. Motion carried unanimously.

Presentation of Course Summaries

Arnold went over the course review summaries, attached as Exhibit 2. Arnold reported that there are a lot more life courses than property, casualty. Leenknecht had a question on the *Getting Started* course from Aid Association for Lutherans. He felt this was addressing mutual funds and an area which we didn't do. Arnold relied that it wasn't excluded in the rules or the law and the course is for people selling annuities.

Boon had a question on the course *Career Seminar* from Aid Association for Lutherans. Boon felt this course was lacking depth and should be looked at closely when assigning credit hours. Bahls agreed with Boon that this course dealt a lot with prospecting and motivation, and didn't believe the course should be given full credit hours.

Boon believed the *Basic Management Training Course* from Aid Association for Lutherans was lacking depth and asked the staff to use judgement when assigning credit hours.

Clark had a question on *Clinton's Health Plan and its Possible Effects on Casualty Insurance,* from Insurance Business Consultants. Clark asked how this would qualify for in-service credit. Leenknecht replied that it is just general health insurance issues. Boon said that this will effect the casualty market as far as Med Pay goes on general liability. Arnold said the problem with this course is the name they chose. The course appears to be a good course.

Leenknecht had a question about the *Retirement Plan Alternatives: The Private Pension Plan & GEBA* from Safeco. Leenknecht asked Frank Coté if the Department had taken any stand on this type of product. Coté said that the Department's position is that we don't mind insurance licensees talking about life insurance as supplementary retirement vehicles, as long as clients know that they're buying life insurance.

Boon asked about the length of description for American Society of CLU & ChFC course. Arnold reminded the board that they had wanted short descriptions for courses which are part of national certification programs.

Bahls asked if the applications were available to look at during the break period. Arnold replied that they were.

Draft Insurance Continuing Education Administrative Rule Revision Requests for Reconsideration

Arnold went over the draft marked as Exhibit 3. The draft reflects the order for the appeal process. Discussion followed. Arnold told the committee that there are funds for five meetings during the next fiscal year. An appeal could, therefore, take a couple of months to come before the council. Appeals would be done in a full meeting, not during a teleconference. Arnold said that this process would not preclude a company from going directly to the Commissioner.

Bolt asked if, other than State Farm, other course providers are unhappy with the hours assigned to them. Arnold replied that two other organizations had questioned credit hour assignments. Arnold said that Mr. Fowler of Estate Financial Services, was one who was upset about credit hours. Mr. Coté replied that staff is still working on this one. Bahls commended the staff in the handling of Mr. Fowler.

Bolt asked how many courses have assigned hours. Arnold replied that the list is around 370, with 37 sponsoring organizations. Boon asked if more courses were long or short ones. Arnold replied that the volume is long credit hour courses but that there are a lot of short ones coming in.

Leenknecht asked about credit hours, especially American College and the International Foundation of Employee Benefit courses. He said it looked like the American College got more than the Foundation did. Arnold replied that credit hours were assigned based on the materials that were submitted. An organization which submits more complete materials, receive more credit hours.

Our credit hour assignments are compared with those of other states.

Old Business

Submission of additional material requested by the Advisory Council--Arnold reviewed the letter from State Farm Insurance Company and a letter from Arnold to State Farm, marked Exhibit 4 and 5, respectively. The course material submitted was reviewed by advisory council members. Staff's opinion is that several of these courses still do not fall within the realm of insurance continuing education. Arnold said State Farm did not submit additional material for *Working for Auto/Fire Profit* State Farm withdrew that course. No additional material was submitted for *Gray Market Cars, Commercial Insurance Audits*, and *Inland Marine Insurance*. Additional material was provided for *Filling the Gap,* which they list as *Short Term Hospital Policy, Aftermarket Parts, Retirement Income Check Up,* and *Auto Application Key Questions*.

Boon made a strong objection to having Aftermarket Parts and the Auto Application courses approved for credit. Boon stated that this is a course for insurance adjusters. There was discussion on this. Bebee and Bahls disagreed. Bolt said only agents having draft authority would be taking this course. Nelson asked Ron Ashabraner what level of draft authority his agents have. Ashabraner replied that it varied with each agent. Ashabraner said according to statutes agents are adjusters. Coté commended the council for reviewing these courses so thoroughly.

Arnold asked about the course named *Filling in the Gap*. Bahls stated that State Farm provided the information requested.

Public Comment

Ron Ashabraner thanked the council for their work and talked about excluding courses for approval. He voiced his concern about his agents not getting the same credit for the same courses as other states give them.

Break

The council thanked Bahls for his work on the committee.

Discussion of Course Summaries

Leenknecht made a motion to accept all of the course in the course summary sheet. Bahls seconded the motion. Motion carried unanimously.

Discussion of Draft Request for Reconsideration

Nelson said there is an error in the last paragraph. It reads "Chapter 11" when it should read "Chapter 1." Clark made a motion to endorse the Department to proceed with drawing these rules up in the appropriate manner. Leenknecht seconded the motion and it carried unanimously.

Council Direction to Staff

Nelson started review of State Farm applications.

Auto Application - Boon voiced her concern about this course being elementary education which should be done in the prelicensing process. Bolt felt that it was a very valuable course and should be accepted. Bebee made a motion to approve this course. Bahls seconded the motion. Motion carried with Boon opposing.

Short Term Hospital Policy - Leenknecht made a motion to approve this course. Bahls seconded the motion. Motion carried unanimously.

AfterMarket Parts - Bolt made a motion to approve this course. Bahls seconded the motion. Motion carried with Boon opposing.

Retirement Income Checkup - Leenknecht made a motion to accept the course. Bahls seconded the motion and it carried unanimously.

Exhibit 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - May 25, 1994

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Vickey Anderson	IIAM/MIEF	442-9555
Ron Shabaker	State Farm Ins	443-0694

Please print

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

United Insurance Educators, Inc.

The Living Estate

This course addresses product knowledge and ethics in estate planning. The course is 21 hours of self study correspondence instruction designed to provide specific information on estate planning for working clients. This is an on-going offering.

Aid Association for Lutherans

Basic Management Training Course

This course addresses management in insurance organizations. The course is 34 hours of classroom instruction designed to provide general information on agency and office management. The first offering of the course was February 20-24, 1995.

Business Retirement Plans

This course addresses product knowledge of business retirement plans for employees. The course is 8 hours of classroom instruction designed to provide specific information on business retirement plans for businesses of all sizes, varied features to include in a retirement plan and analysis of business and employee needs. This is an on-going offering.

MGA Insurance Company, Inc.

General Liability Seminar

This course addresses product knowledge of the general liability policy. The course is 6 hours of classroom instruction designed to provide specific information on the general liability policy and the limitations of the policy, agent responsibility in the non-admitted marketplace and the ISO comprehensive general liability policy. The first offering of this course is June 15, 1994 in Atlanta, Georgia.

Auto Garage Seminar

This course addresses product knowledge of the garage policy. The course is 6 hours of classroom instruction designed to provide specific knowledge of the garage policy, the differences between admitted and non-admitted policies, classifying, underwriting and rating garage risks and the ISO garage policy. The first offering of this course is June 16, 1994 in Atlanta, Georgia.

Commercial Auto Policy

This course addresses product knowledge of commercial automobile insurance policies. The course is 4 hours of classroom instruction designed to provide basic knowledge of classifying, underwriting and reviewing automobile exposures, policy coverage and authority and limitations. The first offering of this course is June 17, 1994 in Atlanta, Georgia.

Redland Insurance Company/American Agrisurance

1994 Spring MPCI/Crop Hail Insurance Update

This course addresses product knowledge of the federal crop insurance program and policies. The course is 7 hours of classroom instruction on the federally reinsured Multi Peril Crop Insurance program. The first offering of this course was February 21, 1994.

Safeco Life Insurance

Retirement Plan Alternatives: The Private Pension Plan & GEBA

This course addresses product knowledge of retirement plans. The course is 2 hours of classroom instruction designed to provide knowledge of private pension planning and the tax benefits of qualified retirement plans and the Safeco Golden Executive Bonus Arrangement. The first offering of this course was March 9, 1994.

Insurance Business Consultants

Clinton's Health Plan and Its Possible Effects on Casualty Insurance

This course addresses product knowledge of health insurance issues. The course is 4 hours of classroom instruction designed to provide an understanding of the health care proposals under federal consideration. The first offering of this course was May 15, 1994 in Orlando, Florida.

TMG (The Mutual Group) Life Insurance Company

Sales Forum 1994

This course addresses product knowledge of underwriting, tax implications of pensions and split dollar funding of life insurance. The course is 7 hours of classroom instruction with 3 hours of continuing education material identified by the sponsoring organization. The course is designed to provide updated information on insurance underwriting, pensions and IRA distributions and split dollar life insurance.

IDS Financial Services

Split Dollar #1 and #2

This course addresses product knowledge of split dollar insurance. The course is 4 hours of classroom instruction designed to provide specific knowledge of split dollar policies, the structure, endorsement, termination and assignment. The first offering of the course was April 22, 1994

Estate Planning #2 - Administration

This course addresses product knowledge of estate planning. The course is 1 hour of classroom instruction designed to provide an overview of the estate administration process. The first offering of this course was April 22, 1994.

Business Continuity

This course addresses product knowledge and marketing capability of business continuity insurance. The course is 2 hours of classroom instruction designed to provide an overview of business continuity insurance. The first offering of this course was April 22, 1994.

Reverse Split Dollar

This course addresses product knowledge of reverse split dollar agreements. The course is 2 hours of classroom instruction designed to provide general information on split dollar agreements applied for by an employee. The first offering of this course was April 22, 1994.

Estate Planning #3 - Administration

This course addresses product knowledge of estate planning. The course is 1 hour of classroom instruction designed to provide general knowledge of causes of estate shrinkage and estate planning methods that reduce that shrinkage. The first offering of this course was April 22, 1994.

Allstate Insurance

Homeowner Training

This course addresses product knowledge of homeowner and property insurance policies. This course is 2 hours of classroom instruction designed to provide basic information on the history of homeowners policies, coverages, exclusions and personal property coverage. The first offering of this course was February 21, 1994.

American Society of CLU & ChFC

Deferred Compensation & other Income Deferral Plans
Simple Solutions to Complex Problems

National Ag Underwriters

Spring Agent Training Meeting

This course addresses product knowledge of the crop insurance coverage. The course is 7 hours of classroom instruction designed to provide specific information on crop insurance coverage and exclusion. The first offering of the course was March 7, 1994.

Exhibit 3

DRAFT INSURANCE CONTINUING EDUCATION ADMINISTRATIVE RULE REVISION

REQUESTS FOR RECONSIDERATION

The following draft describes how the administrative rules for course credit hour and approval requests for reconsideration are intended to function. The administrative rules will be drafted to reflect this intent.

Reconsideration of course credit hour assignment

The commissioner assigns credit hours to a course based on the course submission materials.

The commissioner notifies the sponsoring organization of course approval and credit hour assignment.

The sponsoring organization may request reconsideration of the credit hour assignment, in writing, to the commissioner within 20 business days of notification.

The commissioner may request additional course materials or suggest inclusion of additional course materials to support the request for reconsideration by the sponsoring organization.

The request for reconsideration and any additional material submitted to support the request will be presented to the advisory council at the next full meeting of the advisory council.

The advisory council can recommend to the commissioner to increase, decrease or maintain the credit hours assigned to the course.

The commissioner will review the recommendation and make credit hour assignment.

Reconsideration of course approval

The commissioner approves or denies approval to insurance continuing education courses based on the recommendation of the insurance continuing education advisory council.

The commissioner notifies the sponsoring organization of course denial or course approval.

The sponsoring organization may request reconsideration of the denial of course approval, in writing, to the commissioner within 20 business days of notification.

The commissioner may request additional course materials or suggest inclusion of additional course materials to support the request for reconsideration by the sponsoring organization.

The request for reconsideration and any additional material submitted to support the request will be presented to the advisory council at the next full meeting of the advisory council.

The advisory council can recommend to the commissioner to approve or deny approval of the course.

The commissioner will review the recommendation and approve or deny approval of the course.

Further Appeal

The sponsoring organization may appeal further under Title 33, Chapter 11, Part 7 of the Montana Code Annotated through the Hearings and Appeals process.

Exhibit 4

State Farm Insurance Companies

David L. Jones CPCU, CNFC
Agency Training Coordinator
Education & Training Dept.
Northwest Office
4600 - 25th Avenue N.E.
Salem, Oregon 97313

May 12, 1994

Ms. Mary Arnold
Continuing Education Program
P.O. Box 4009
Helena, Mt. 59604-4009

Dear Mary,

In response to the Advisory Council's request for information on the following classes:

*Auto Application
*Short Term Hospital Policy
*AfterMarket Parts
*Retirement Income Checkup
*Agents Draft Authority

we have attached the necessary information. We would ask you withdraw for consideration the classes:

*F coverage
*D and E Coverage
*Farm Class

We will be following up with your request for information on the remaining classes. Thanks for your help and assistance.

Sincerely,

David L. Jones

HELENA, MONT.
MAY 16 3 55 AM '94
STATE AUDITORS
RECEIVED

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

United Insurance Educators, Inc.

The Living Estate

This course addresses product knowledge and ethics in estate planning. The course is 21 hours of self study correspondence instruction designed to provide specific information on estate planning for working clients. This is an on-going offering.

Aid Association for Lutherans

Basic Management Training Course

This course addresses management in insurance organizations. The course is 34 hours of classroom instruction designed to provide general information on agency and office management. The first offering of the course was February 20-24, 1995.

Business Retirement Plans

This course addresses product knowledge of business retirement plans for employees. The course is 8 hours of classroom instruction designed to provide specific information on business retirement plans for businesses of all sizes, varied features to include in a retirement plan and analysis of business and employee needs. This is an on-going offering.

Aid Association for Lutherans continued

Small Business Retirement Plans

This course addresses product knowledge of small business retirement plans for employees. The course is 4 hours of classroom instruction designed to provide specific information on business retirement plans for small businesses, varied features to include in a retirement plan, simplified employee pension (SEP) and analysis of business and employee needs. This is an on-going offering.

Charitable Remainder Unitrust

This course addresses product knowledge of charitable remainder unitrusts. The course is 4 hours of specific information on the use, workings and implementation of a charitable remainder trust, and the differences between a charity remainder unitrust and a charity remainder annuity trust. This is an on-going offering.

Custodial Accounts for Minors

This course addresses product knowledge of custodial accounts for the minor children of clients. The course is 3 hours of specific information on custodial accounts, the Uniform Gift to Minors Act and the Uniform Transfer to Minors Act, benefits of custodial accounts and the tax implications of a custodial account for a minor. This is an on-going offering.

403(b)(7) Custodial Accounts

This course addresses product knowledge of custodial accounts set up under 403(b)(7). The course is 4 hours of classroom instruction designed to provide specific information on 403(b)(7) custodial accounts, the differences between 403(b)(7) and individual retirement accounts, tax benefits and other characteristics of 403(b)(7) custodial accounts. This is an on-going offering.

Getting Started

This course addresses product knowledge of mutual fund basics. The course is 6 hours of classroom instruction, with 1 1/4 hour of training on Aid Association for Lutherans products, designed to provide basic knowledge of mutual funds, financial and investment concepts, and become acquainted with broker/dealer sales materials and regulations. This is an on-going offering.

Second-to-die Life Insurance

This course addresses product knowledge of second-to-die life insurance policies. The course is 5 hours of classroom instruction with 2 1/4 hours of hands-on computer practicum with Survivor Life Software, designed to provide basic knowledge of second-to-die products, the structure and features of second-to-die life insurance policies and use of computer software to provide illustrations of second-to-die life insurance. This is an on-going offering.

Long Term Care Workshop

This course addresses product knowledge and marketing capability of long term care products. The course is 5 hours of classroom instruction designed to provide basic knowledge of the need for long term care insurance, financial assessment of Medicaid, understanding of the needs and motivations of the potential clients and motivation to sell this product. This is an on-going offering.

Estate Planning

This course addresses product knowledge of estate products. The course is 14 hours of self-study correspondence instruction designed to provide specific knowledge of estate planning and transfer, the participants in estate planning and their roles, wills and intestacy, business continuation and estate liquidity. This is an on-going offering.

Aid Association for Lutherans continued

FIC Basic I Course

This course addresses product knowledge and marketing capability of life underwriting for fraternal organizations. The course is 10 hours of self-study correspondence instruction designed to provide specific knowledge of life insurance underwriting and sales of life insurance products. The course is part of the Fraternal Sales Training Program. This is an on-going offering.

FIC Intermediate II Course

This course addresses marketing capability and product knowledge of life insurance and total needs selling. The course is 10 hours of self-study correspondence instruction designed instruct agents about the personal markets of primary interest in life insurance marketing and basic knowledge of total needs selling, fact-finding and benefits. The course is part of the Fraternal Sales Training Program. This is an on-going offering.

Career Seminar

This course addresses marketing capability, product knowledge, supportive office skills, prospecting, time management and motivation. The course is 44 hours of classroom instruction with 16 hours of instruction in supportive office skills, prospecting, time management and motivation, designed to provide in-depth knowledge of Aid Association for Lutherans procedures, products and practices and to provide specific knowledge of life, estate planning, business insurance, health, disability, long term care, annuities and mutual funds. The first offering of this course was May 1-6, 1994.

Advanced Underwriting I Seminar

This course addresses product knowledge and marketing capability of estate and business underwriting. The course is 32 hours of classroom instruction designed to provide specific knowledge of underwriting principles, estate analysis and business insurance planning. The first offering of this course is May 29-June 3, 1994.

Aid Association for Lutherans continued

AAL Pension Plans

This course addresses product knowledge and marketing capability of pension plans. The course is 8 hours of self-study classroom instruction designed to provide specific knowledge of individual retirement annuity, simplified employee pension, tax sheltered annuity options and restrictions and AAL products that are used to provide these coverages. This is an on-going offering.

Mutual of New York

Advanced Business School

This course addresses marketing capability. The course is 23 hours of classroom instruction designed to provide specific knowledge of varied business insurance concepts including: business credit lines, financed policies, key person replacement and business continuation. The first offering of this course was May 16-18, 1994.

Contractors Bonding and Insurance Company

Court and Fiduciary Bonds

This course addresses product knowledge of court and fiduciary bonds. The course is 2 hours of classroom instruction designed to provide specific knowledge of fiduciary and court bonding types and procedures. The offering schedule is yet to be determined.

MGA Insurance Company, Inc.

General Liability Seminar

This course addresses product knowledge of the general liability policy. The course is 6 hours of classroom instruction designed to provide specific information on the general liability policy and the limitations of the policy, agent responsibility in the non-admitted marketplace and the ISO comprehensive general liability policy. The first offering of this course is June 15, 1994 in Atlanta, Georgia.

Auto Garage Seminar

This course addresses product knowledge of the garage policy. The course is 6 hours of classroom instruction designed to provide specific knowledge of the garage policy, the differences between admitted and non-admitted policies, classifying, underwriting and rating garage risks and the ISO garage policy. The first offering of this course is June 16, 1994 in Atlanta, Georgia.

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Safeco Life Insurance

Retirement Plan Alternatives: The Private Pension Plan & GEBA

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Sales Forum 1994

This course addresses product knowledge of underwriting, tax implications of pensions and split dollar funding of life insurance. The course is 7 hours of classroom instruction with 3 hours of continuing education material identified by the sponsoring organization. The course is designed to provide updated information on insurance underwriting, pensions and IRA distributions and split dollar life insurance.

IDS Financial Services

Split Dollar #1 and #2

This course addresses product knowledge of split dollar insurance. The course is 4 hours of classroom instruction designed to provide specific knowledge of split dollar policies, the structure, endorsement, termination and assignment. The first offering of the course was April 22, 1994

Estate Planning #2 - Administration

This course addresses product knowledge of estate planning. The course is 1 hour of classroom instruction designed to provide an overview of the estate administration process. The first offering of this course was April 22, 1994.

Business Continuity

This course addresses product knowledge and marketing capability of business continuity insurance. The course is 2 hours of classroom instruction designed to provide an overview of business continuity insurance. The first offering of this course was April 22, 1994.

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Allstate Insurance

Homeowner Training

This course addresses product knowledge of homeowner and property insurance policies. This course is 2 hours of classroom instruction designed to provide basic information on the history of homeowners policies, coverages, exclusions and personal property coverage. The first offering of this course was February 21, 1994.

American Society of CLU & ChFC

Deferred Compensation & other Income Deferral Plans
Simple Solutions to Complex Problems

National Ag Underwriters

Spring Agent Training Meeting

This course addresses product knowledge of the crop insurance coverage. The course is 7 hours of classroom instruction designed to provide specific information on crop insurance coverage and exclusion. The first offering of the course was March 7, 1994.

DRAFT INSURANCE CONTINUING EDUCATION ADMINISTRATIVE RULE REVISION

REQUESTS FOR RECONSIDERATION

The following draft describes how the administrative rules for course credit hour and approval requests for reconsideration are intended to function. The administrative rules will be drafted to reflect this intent.

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The commissioner may request additional course materials or suggest inclusion of additional course materials to support the request for reconsideration by the sponsoring organization.

The request for reconsideration and any additional material submitted to support the request will be presented to the advisory council at the next full meeting of the advisory council.

The advisory council can recommend to the commissioner to increase, decrease or maintain the credit hours assigned to the course.

The commissioner will review the recommendation and make credit hour assignment.

Reconsideration of course approval

The commissioner approves or denies approval to insurance continuing education courses based on the recommendation of the insurance continuing education advisory council.

The commissioner notifies the sponsoring organization of course denial or course approval.

The sponsoring organization may request reconsideration of the denial of course approval, in writing, to the commissioner within 20 business days of notification.

The commissioner may request additional course materials or suggest inclusion of additional course materials to support the request for reconsideration by the sponsoring organization.

The request for reconsideration and any additional material submitted to support the request will be presented to the advisory council at the next full meeting of the advisory council.

The advisory council can recommend to the commissioner to approve or deny approval of the course.

The commissioner will review the recommendation and approve or deny approval of the course.

Further Appeal

The sponsoring organization may appeal further under Title 33, Chapter 11, Part 7 of the Montana Code Annotated through the Hearings and Appeals process.

State Farm Insurance Companies

David L. Jones CPCU, ChFC
Agency Training Coordinator
Education & Training Dept.
Northwest Office
4600 - 25th Avenue N.E.
Salem, Oregon 97313

May 12, 1994

Ms. Mary Arnold
Continuing Education Program
P.O. Box 4009
Helena, Mt. 59604-4009

Dear Mary,

In response to the Advisory Council's request for information on the following classes:

*Auto Application
*Short Term Hospital Policy
*AfterMarket Parts
*Retirement Income Checkup
*Agents Draft Authority

we have attached the necessary information. We would ask you withdraw for consideration the classes:

*F coverage
*D and E Coverage
*Farm Class

We will be following up with your request for information on the remaining classes. Thanks for your help and assistance.

Sincerely,

David L. Jones

HELENA, MONT.
MAY 16 3 55 AM '94
STATE AUDITORS
RECEIVED

April 7, 1994

David Jones
State Farm Insurance
4600 NE 25th Avenue
Salem, Oregon 97313

Dear Mr. Jones:

The Insurance Continuing Education Advisory Council reviewed the following courses during the meeting March 29, 1994.

Working for Auto/Fire Profit, which we have withdrawn from consideration at your request,
Gray Market Cars,
Filling the Gap (Short Term Hospital-Surgical),
Aftermarket Parts,
Commercial Insurance Audits,
Retirement Income Checkup,
Auto Application/Key Questions, and
Inland Marine Insurance.

The council requested additional materials for each course to allow a thorough evaluation of the course content. Please submit a syllabus or course outline for each course that includes a summary of each course topic.

Mail the materials to:

Montana State Auditor's Office
Insurance Continuing Education Program
P.O. Box 4009
Helena, MT 59604-4009

We will continue review of the course materials when we receive this additional information. Thank you.

Sincerely,

Mary A. Arnold
Continuing Education Program

MAA/nh

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

May 5, 1994
Sam W. Mitchell Building -- Room 270

Call to order	1:30
Presentation of course summaries	1:35
Public Comment	1:45
Discussion of course summaries	2:15
Council direction to staff	2:30
Administrative Details - Next Meeting	2:55
May 25, 1994 -- Helena 1 - 5 pm	
Adjourn	3:00

May 4, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes

May 5, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the Conference Room of the State Auditor's office in the Sam Mitchell Building at 1:30 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Bill Bolt, Professional Insurance Agents of Montana Member
Ted Clark, Public Member
Steve Bahls, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member

Staff Present

Mary Arnold, Continuing Education Program
Tammy Peterson, Recording Secretary

A list of other parties present is attached as Exhibit 1.

Nelson called the meeting to order.

Presentation of course summaries

Arnold presented the course review summaries (attached as Exhibit 2) to the council. There was concern regarding submission of multiple courses with only one class hour as it takes the same amount of time to review a 1 hour course as it does a 10 hour course. The advisory council members discussed various aspects

of multiple and consolidated submissions. It was determined that multiple submissions allowed the most flexibility.

There was concern regarding computer training as part of the IDS courses. Boon asked if this was a prospecting or marketing tool. Nelson believed this was training on how and what to do on a form. Arnold stated the only course that specifically deals with how to run the computer is the PDP: Life Insurance Proposal #3. Boon expressed concern about approving computer classes and assigning credit hours to a computer practicum.

Arnold presented the Contractor's Bonding and Insurance Company course submission and three submissions from United Insurance Educators (attached as Exibit 3).

Public Comment

Vickey Anderson, Independent Insurance Agent's Association encouraged the council to approve the courses that were submitted with 1 - 3 course hours. Anderson also recommended that the sponsoring organization be that certificates have to be issued for each of those 1 hour courses, as an inducement to combine some of the courses.

There was no other public comment.

Discussion of Course Summaries

Bebee made a motion to approve the course summaries that were submitted. Bolt seconded the motion and it carried unanimously.

Council Direction to Staff

Leenknecht asked about Boon's letter to Commissioner O'Keefe. Boon replied that she had not received an answer from Mr. O'Keefe. Arnold told the committee that Mr. O'Keefe is out of the office this week. She is scheduled to meet with him next week regarding the issues raised in the letter. The Commissioners position will be discussed at the meeting on May 25.

Bolt requested information on credit hours assigned to approved courses. Nelson said that all of the courses approved by the commissioner, except those approved by the council today, will have credit hours assigned by May 12.

Administrative Details - Next Meeting

The next meeting is scheduled for May 25, 1994, 1:00 to 5:00 in Helena. There is no meeting room scheduled yet but the council will be notified a week in advance.

Clark made a motion to adjourn the meeting. Bolt seconded the motion. Motion carried unanimously.

EXHIBIT 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - May 5, 1994

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Vickey Anderson	11 AM/MIET	442-9555
Ron Ashabraner	State Farm	443-0694

Please print

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

IDS Financial Services

Qualified Plans Session I

This course addresses product knowledge of business insurance (life/disability) products and concepts. The course is 2 ½ hours of classroom and videotape instruction designed to provide specific knowledge of identifying and designing qualified plans for business clients. This course includes a proctored exam. This is an on-going offering.

Qualified Plans Session 2

This course addresses product knowledge of business insurance products and concepts. The course is 3 ½ hours of classroom, videotape and workbook instruction designed to provide specific knowledge of planning, describing, designing and evaluating qualified plans for business. This course includes a proctored exam. This is an on-going offering.

Qualified Plans Pre-session Study

This course addresses product knowledge. The course is 15 hours of self-study texts with a monitored examination. The course is designed to provide a general knowledge of qualified plans and is a prerequisite to Qualified Plans Sessions I & II. This is an on-going offering.

PDP: Life Insurance Proposals #5

This course addresses marketing capability. The course is 1 hour of classroom instruction and case studies, with ½ hour of instruction on the IDS InfoServ system, designed to provide a method to illustrate specific retirement insurance needs. This is an on-going offering.

PDP: Life Insurance Proposal #3

This course addresses marketing capability. The course is 1 hour of classroom instruction and discussions, with ½ hour of computer practicum on the IDS InfoServ system, designed to provide information on insurance needs of families. This is an on-going offering.

PDP: Life Insurance Proposals #2

This course addresses marketing capability. The course is 1 hour of classroom instruction and case studies, with ½ hour of instruction on the IDS InfoServ system, designed to provide a method to tailor variable life insurance policies. This is an on-going offering.

PDP: Life Insurance Product Essentials

This course addresses product knowledge. The course is 3 hours of self-study texts with a monitored examination. The course is designed to provide a general knowledge of IDS life insurance products, variable universal life and universal life, how they work and is a prerequisite to PDP: Life Insurance Proposals courses. This is an on-going offering.

PDP: Field Underwriting

This course addresses product knowledge of underwriting. The course is 1 hour of self-study texts and videotapes with a monitored examination. The course is designed to provide general knowledge of insurability and underwriting, and the information needed to underwrite a life or disability policy. This is an on-going offering.

Life Insurance Module 11: Survivorship Needs

This course addresses product knowledge of survivorship aspects of life insurance. The course is 1 hour of classroom instruction designed to provide specific knowledge of survivor benefits, tax considerations, estate assets, living benefits and policy ownership. This is an on-going offering.

Life Insurance Module 10: Irrevocable Trusts

This course addresses product knowledge and ethics of irrevocable life insurance trusts. The course is 1 hour of classroom instruction designed to provide general knowledge on irrevocable trust suitability, tax deferral, undue influence by interested parties and client ability for independent judgement. This is an on-going offering.

Life Insurance Module 8: Mortgage Acceleration

This course provides product knowledge of mortgage acceleration life insurance policies. The course is 1 hour of classroom instruction and case studies designed to provide a general knowledge of suitability of mortgage acceleration policies, tax considerations and client expectations. This is an on-going offering.

Life Insurance Module 8: Key Person Business

This course provides product knowledge of key employee insurance products. The course is 1 hour of classroom instruction designed to provide specific knowledge on key employee valuation, suitability of key employee insurance, funding methods, tax considerations and client expectations. This is an on-going offering.

Life Insurance Module 8: Term vs. Permanent

This course provides product knowledge of term and whole life insurance. The course is 1 hour of classroom instruction designed to explain the differences between term and whole or permanent life insurance and determining appropriate insurance to meet a clients' requirements. This is an on-going offering.

Life Insurance Module 8: Private Pension Plan

This course provides product knowledge of non-traditional life insurance usage. The course is 1 hour of classroom instruction designed to provide general knowledge of life insurance income accumulation, survivor income, tax considerations, supplemental income, rate of return and other alternatives; such as, non-qualified annuities and non-qualified deferred compensation. This is an on-going offering.

Life Insurance Module 8: IRA Alternative Plan

This course provides product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide general knowledge of life insurance products that generate funds for supplemental income to be used as a non-deductible IRA. This is an on-going offering.

Life Insurance Module 8: Executive Bonus Plan

This course provides product knowledge and marketing capability of life insurance as an executive bonus. The course is 1 hour of classroom instruction designed to provide specific knowledge of using life insurance as an executive bonus, employer and employee tax consequences and advantages and alternatives to consider. This is an on-going offering.

Life Insurance Module 7: Retirement Planning

This course provides product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide specific knowledge of life insurance uses in retirement planning. This is an on-going offering.

Life Insurance Module 6: Education Funding

This course provides product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide specific knowledge of life insurance as a method of funding children's education. This is an on-going offering.

Life Insurance Module 4: Survivor Income

This course provides product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide specific knowledge of life insurance to meet the financial needs of survivors. This is an on-going offering.

Life Insurance Module 2: Life Protection Plus

This course provides product knowledge of universal life insurance. The course is 1 hour of classroom instruction designed to provide general knowledge of the features of universal life insurance, how it works, policy premiums, death benefits and riders. This is an on-going offering.

Disability Insurance Module 3: Analyzing Income Protection Needs

This course provides product knowledge of disability insurance. The course is 3 ½ hours of classroom and videotape instruction, with ½ hour of instruction on the IDS InfoServ computer system, designed to provide general information on IDS disability insurance products, product selection, income protection and creating an action plan. This is an on-going offering.

Disability Insurance Module 2: Discover Income Protection Needs

This course provides product knowledge and marketing capability of disability income insurance. The course is 3 hours of classroom and videotape instruction designed to provide general knowledge of income protection policies and specific knowledge of the IDS Personal Money Management program and service interview process. This is an on-going offering.

Client Service Training

This course provides knowledge of ethics and management of client concerns. The course is 2 hours of classroom and videotape instruction designed to increase awareness of client concerns and needs. This is an on-going offering.

Charitable Giving Classroom Session

This course provides product knowledge for charitable giving. This course is 3 hours of classroom and videotape instruction designed to identify methods of charitable giving through the use of insurance vehicles. This is an on-going offering.

Long Term Care Basic Audio Training

This course provides product knowledge and marketing capability of long term care insurance products. This course is 2 hours of audiotape instruction designed to provide basic knowledge of long term care health insurance, Medicare and nursing home coverage. This is an on-going offering.

Long Term Care Seminar

This course provides product knowledge of long term care policies. This seminar is 3 hours of classroom instruction, with 1 ½ hours of IDS form and policy review, designed to provide specific knowledge of long term care policies and benefits. This is an on-going offering.

Life Insurance Module 9: Capital Transfer

This course provides product knowledge of tax deferred insurance policies. The course is 1 hour of classroom instruction designed to provide general knowledge of life insurance products that are capable of tax-deferred income production and their applications. This is an on-going offering.

Exhibit 3

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Contractors Bonding and Insurance Company

License, Permit and Micellaneous Bonds

This course addresses product knowledge and ethics in bonding. The course is 3 hours of classroom instruction designed to provide an overview of surety and bonding, bond types, where each type is applicable, exclusions and inclusions of each. This course has not been scheduled.

United Insurance Educators

Ethics

This course addresses ethics in the field of insurance. The course is 15 hours of correpondence instruction designed to address ethics and ethical issues in all phases of insurance production activity. This is an on-oging offering.

Planning an Estate

This course addresses product knowledge of estate planning. The course is 6 hours of correspondence instruction designed to provide general knowledge of estate review, estate planning options and product types. This is an on-giong offering.

Wills & Probate

This course addresses product knowledge of will and probate. The course is 10 hours of correspondence instruction that includes general information on life insurance as gifts, and types of beneficiaries. This is an on-going offering.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

IDS Financial Services

Qualified Plans Session I

This course addresses product knowledge of business insurance (life/disability) products and concepts. The course is 2 ¼ hours of classroom and videotape instruction designed to provide specific knowledge of identifying and designing qualified plans for business clients. This course includes a proctored exam. This is an on-going offering.

Qualified Plans Session 2

This course addresses product knowledge of business insurance products and concepts. The course is 3 ½ hours of classroom, videotape and workbook instruction designed to provide specific knowledge of planning, describing, designing and evaluating qualified plans for business. This course includes a proctored exam. This is an on-going offering.

Qualified Plans Pre-session Study

This course addresses product knowledge. The course is 15 hours of self-study texts with a monitored examination. The course is designed to provide a general knowledge of qualified plans and is a prerequisite to Qualified Plans Sessions I & II. This is an on-going offering.

PDP: Life Insurance Proposals #5

This course addresses marketing capability. The course is 1 hour of classroom instruction and case studies, with ½ hour of instruction on the IDS InfoServ system, designed to provide a method to illustrate specific retirement insurance needs. This is an on-going offering.

PDP: Life Insurance Proposal #3

This course addresses marketing capability. The course is 1 hour of classroom instruction and discussions, with ¼ hour of computer practicum on the IDS InfoServ system, designed to provide information on insurance needs of families. This is an on-going offering.

PDP: Life Insurance Proposals #2

This course addresses marketing capability. The course is 1 hour of classroom instruction and case studies, with ½ hour of instruction on the IDS InfoServ system, designed to provide a method to tailor variable life insurance policies. This is an on-going offering.

PDP: Life Insurance Product Essentials

This course addresses product knowledge. The course is 3 hours of self-study texts with a monitored examination. The course is designed to provide a general knowledge of IDS life insurance products, variable universal life and universal life, how they work and is a prerequisite to PDP: Life Insurance Proposals courses. This is an on-going offering.

PDP: Field Underwriting

This course addresses product knowledge of underwriting. The course is 1 hour of self-study texts and videotapes with a monitored examination. The course is designed to provide general knowledge of insurability and underwriting, and the information needed to underwrite a life or disability policy. This is an on-going offering.

Life Insurance Module 11: Survivorship Needs

This course addresses product knowledge of survivorship aspects of life insurance. The course is 1 hour of classroom instruction designed to provide specific knowledge of survivor benefits, tax considerations, estate assets, living benefits and policy ownership. This is an on-going offering.

Life Insurance Module 10: Irrevocable Trusts

This course addresses product knowledge and ethics of irrevocable life insurance trusts. The course is 1 hour of classroom instruction designed to provide general knowledge on irrevocable trust suitability, tax deferral, undue influence by interested parties and client ability for independent judgement. This is an on-going offering.

Life Insurance Module 8: Mortgage Acceleration

This course provides product knowledge of mortgage acceleration life insurance policies. The course is 1 hour of classroom instruction and case studies designed to provide a general knowledge of suitability of mortgage acceleration policies, tax considerations and client expectations. This is an on-going offering.

Life Insurance Module 8: Key Person Business

This course provides product knowledge of key employee insurance products. The course is 1 hour of classroom instruction designed to provide specific knowledge on key employee valuation, suitability of key employee insurance, funding methods, tax considerations and client expectations. This is an on-going offering.

Life Insurance Module 8: Term vs. Permanent

This course provides product knowledge of term and whole life insurance. The course is 1 hour of classroom instruction designed to explain the differences between term and whole or permanent life insurance and determining appropriate insurance to meet a clients' requirements. This is an on-going offering.

Life Insurance Module 8: Private Pension Plan

This course provides product knowledge of non-traditional life insurance usage. The course is 1 hour of classroom instruction designed to provide general knowledge of life insurance income accumulation, survivor income, tax considerations, supplemental income, rate of return and other alternatives; such as, non-qualified annuities and non-qualified deferred compensation. This is an on-going offering.

Life Insurance Module 8: IRA Alternative Plan

This course provides product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide general knowledge of life insurance products that generate funds for supplemental income to be used as a non-deductible IRA. This is an on-going offering.

Life Insurance Module 8: Executive Bonus Plan

This course provides product knowledge and marketing capability of life insurance as an executive bonus. The course is 1 hour of classroom instruction designed to provide specific knowledge of using life insurance as an executive bonus, employer and employee tax consequences and advantages and alternatives to consider. This is an on-going offering.

Life Insurance Module 7: Retirement Planning

This course provides product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide specific knowledge of life insurance uses in retirement planning. This is an on-going offering.

Life Insurance Module 6: Education Funding

This course provides product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide specific knowledge of life insurance as a method of funding children's education. This is an on-going offering.

Life Insurance Module 4: Survivor Income

This course provides product knowledge of life insurance. The course is 1 hour of classroom instruction designed to provide specific knowledge of life insurance to meet the financial needs of survivors. This is an on-going offering.

Life Insurance Module 2: Life Protection Plus

This course provides product knowledge of universal life insurance. The course is 1 hour of classroom instruction designed to provide general knowledge of the features of universal life insurance, how it works, policy premiums, death benefits and riders. This is an on-going offering.

Disability Insurance Module 3: Analyzing Income Protection Needs

This course provides product knowledge of disability insurance. The course is 3 ½ hours of classroom and videotape instruction, with ½ hour of instruction on the IDS InfoServ computer system, designed to provide general information on IDS disability insurance products, product selection, income protection and creating an action plan. This is an on-going offering.

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Long Term Care Seminar

This course provides product knowledge of long term care policies. This seminar is 3 hours of classroom instruction, with 1 ½ hours of IDS form and policy review, designed to provide specific knowledge of long term care policies and benefits. This is an on-going offering.

Life Insurance Module 9: Capital Transfer

This course provides product knowledge of tax deferred insurance policies. The course is 1 hour of classroom instruction designed to provide general knowledge of life insurance products that are capable of tax-deferred income production and their applications. This is an on-going offering.

COURSE REVIEW SUMMARIES

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INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

April 12, 1994
Sam W. Mitchell Building -- Room 270

Call to order	1:30
Presentation of course summaries	1:35
Public Comment	1:45
Discussion of course summaries	2:15
Council direction to staff	2:30
Administrative Details - Next Meeting	2:55
April 28, 1994 -- Teleconference 1:30 pm	
Adjourn	3:00

Insurance Continuing Education Advisory Council

Conference Call Minutes

April 12, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the Conference Room of the State Auditor's office in the Sam Mitchell Building at 1:35 p.m. by Mark Nelson.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Robin Boon, Independent Insurance Agents of Montana Member
John Bebee, Unaffiliated Insurance Agent Member
Steve Bahls, Public Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary

A list of other parties present is attached as Exhibit 1.

Presentation of course summaries

Arnold went through the Course Review Summaries, marked as Exhibit 2, and presented it to the council for approval, with the exception of the Pictorial, Inc. course entitled Montana Law Study Course. This course was withdrawn because, although the course does have all of the requirements of a course submission, the law content is in error and is not up to date. Arnold will request resubmission of the course by Pictorial.

Public Comment

There was none.

Discussion of Course Summaries

Boon made a motion to approve all of the course summaries, with the exception of the Pictorial course. Leenknecht seconded it. Motion carried.

Council Direction to Staff

Bebee asked for an updated list of courses and credit hours assigned. Arnold reported that the last list that was given to the council was the most current one. Arnold requested council members not release the course identification numbers to the general public. The staff was directed to provide an updated list of approved courses with credit hours assigned.

Bebee said Idaho allows people to attend national seminars and submit the course for credit. Bebee asked if the Montana law allows this. Arnold replied that our law isn't designed to do that. It would require a revision of the continuing education act. Bebee would like to see this happen in Montana. Arnold said she will discuss this with legal staff.

Boon asked the status of State Farm's concerns with the council. Arnold replied that she had a 2 1/2 hour telephone call with Dave Jones on April 7 concerning course submissions. She stated they reviewed several submissions page-by-page. State Farm seemed satisfied with how credit hours were assigned.

Bebee asked if the other FTE had been hired. Nelson replied that the process had begun. The position description needs to be approved by the Department of Administration.

Administrative Details - Next Meeting

The next meeting will be a teleconference on April 28, 1994, at 1:30 p.m.

Exhibit 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - April 12, 1994

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Greg Van Horssen	State Farm Mutual Auto	442-7450
Vickey L. Anderson	IIAW	442-9555

Please print

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Erickson-Larsen, Inc.

Agents Guide to Truck and Public Auto

This course addresses product knowledge and marketing capability of the licensee for insurance coverage of truckers and other commercial drivers. This course is 3 hours of classroom instruction that addresses specialized terminology, coverages, vehicle descriptions and types of insurance useful to truckers and commercial drivers. The first offering of this course is May 3, 1994 in Billings.

Insurance Business Consultants, Inc.

Americans with Disabilities Act -- How it Affects Insurance

This course addresses product knowledge and the impact of ADA on insurance exposure. This course is 4 hours of classroom instruction that describes the Americans with Disabilities Act, defines the impact of the act on insureds and identifies specialized coverages, like discrimination coverage. The first offering of this course is May 15, 1994 in Orlando, Florida.

The New Tax Law and Its Effect on Insurance

This course addresses product knowledge and marketing capability of the licensee. This course is 4 hours of classroom instruction that describe the Omnibus Budget Reconciliation Act of 1993 (OBRA), the effect of the act on business continuation insurance planning and estate planning. The first offering of this course is May 15, 1994 in Orlando, Florida.

Hartford Steam Boiler Inspection and Insurance Company

Understanding Boiler and Machinery/Equipment Breakdown Coverage

This course addresses product knowledge of boiler and machinery insurance. The course is 3 hours of classroom instruction with 2 1/2 hours of lecture and discussion of policy evolution, mechanical breakdown, coverages and policy analysis. The course will be offered quarterly.

Pictorial, Inc

Montana Law Study Course

This course addresses management, ethics and marketing capability of the licensee. This course is 3 hours of correspondence instruction that covers the major elements of Montana insurance law. This is an ongoing offering.

National Association of Surety Bond Producers

Joint Ventures in Construction

This course addresses product knowledge and ethics of joint venture bonding. This seminar is 8 hours of classroom instruction that provides specific knowledge on joint venture types, indemnity agreements, financial considerations of joint ventures and provisions of joint venture agreements. The first offering of the course was March 25, 1994 in Las Vegas, Nevada.

Everything you ever wanted to know about surety reinsurance but were afraid to ask

This course addresses product knowledge of surety reinsurance. This seminar is 1 1/2 hours of classroom instruction that provides general knowledge on reinsurance programs, intermediary and direct writers, cedent representation, performance records and program structure. The first offering of this course is April 18, 1994.

After NAFTA: Suretyship in Mexico

This course addresses product knowledge of surety products. This seminar is 1 1/2 hours of specific classroom instruction on surety bonds for projects in Mexico based on the North American Free Trade Agreement. The first offering of this course is April 18, 1994.

Transamerica Occidental Life Insurance

The following courses are offered by Transamerica Occidental Life Insurance through a contract agreement with Pictorial, Inc. Transamerica is responsible for administering examinations for these courses as contracted. All of these courses are self-study correspondence and are ongoing offerings. These courses were summarized in the *Course Review Summary* of February 4, 1994.

Estate Planning Concepts
Estate Planning Training Course
Long Term Care
Business Insurance Concepts
Executive Compensation Training Course
Pension Planning Training Course
Financial Products Training Course

Montana Association of Life Underwriters

Montana Health Care Authority Presentation

This course addresses product knowledge of Montana Health Care Authority issues. This 1 hour seminar presentation addresses the methods, procedures and issues addressed during the Montana Health Care Authority process. This course was offered February 14, 1994 as part of the Western Montana Association of Life Underwriters Education Day.

The Prudential Insurance Company of America

Property and Casualty Seminar

This course addresses product knowledge of property and casualty insurance. This course provides 5 hours of classroom instruction on general concepts of property and casualty insurance. This is an ongoing offering.

Annuity Seminar

This course addresses product knowledge of annuities. This course provides 5 hours of classroom instruction on general concepts of annuities. This is an ongoing offering.

The Prudential Insurance Company of America continued

Life Insurance Seminar

This course addresses product knowledge of life insurance. This course provides 4 hours of classroom instruction on general life insurance concepts. This is an ongoing offering.

Disability Income Insurance

This course addresses product knowledge of disability income insurance. This course provides 6 hours of classroom instruction on specific provisions of disability income programs, residual income concepts, benefit types and disability income as a benefit of employment.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

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The Prudential Insurance Company of America

Property and Casualty Seminar

This course addresses product knowledge of property and casualty insurance. This course provides 5 hours of classroom instruction on general concepts of property and casualty insurance. This is an ongoing offering.

Annuity Seminar

This course addresses product knowledge of annuities. This course provides 5 hours of classroom instruction on general concepts of annuities. This is an ongoing offering.

The Prudential Insurance Company of America continued

Life Insurance Seminar

This course addresses product knowledge of life insurance. This course provides 4 hours of classroom instruction on general life insurance concepts. This is an ongoing offering.

Disability Income Insurance

This course addresses product knowledge of disability income insurance. This course provides 6 hours of classroom instruction on specific provisions of disability income programs, residual income concepts, benefit types and disability income as a benefit of employment.

Greg Van Horssen, counsel for State Farm, said the continuing education statute gives the Commissioner the responsibility to assign credit hours. The statute does not prohibit the Commissioner from consulting with the council with respect to credit hours assigned a course. He would like staff to seek suggested credit hours from the advisory council or have the council suggest to the staff credit hours to be assigned to courses.

Course Summaries

Bebee asked if the course summaries passed out fulfill all the requirements for filing. Arnold said yes. Arnold said the council may take any of three different actions: 1) request staff to get more information from the sponsoring organization, 2) approve as the courses as submitted, or 3) disapprove the courses as submitted.

Bahls said council could reject a course for two reasons, not enough information, or enough information and not enough content.

Inland Marine Insurance - Leenknecht moved to approve this course. Bolt seconded the motion. Upon question, Bahls disagrees. Clark offered a substitute motion that State Farm resubmit the course with appropriate information in the outline form. Bahls seconded the motion. Motion carried with Boon opposed.

Americans With Disabilities Act - Boon moved the course be approved. Bahls seconded the motion. Motion carried unanimously.

Auto Application/Key Question - Bahls moved to request a more detailed course outline. Clark seconded the motion. Motion carried unanimously.

Property Survey Seminar - Bebee moved to accept the course as submitted. Clark seconded the motion. Motion carried unanimously.

Contractor Policy - Clark moved to accept the course as submitted. Bebee seconded the motion. Motion carried unanimously.

Retirement Income Checkup - Bolt moved to request additional information from the course provider. Bahls seconded the motion. Motion carried unanimously.

Commercial Insurance Audits - Bolt moved to request a better outline from the course provider. Leenknecht seconded the motion. Motion carried unanimously.

Working for Auto/Fire Profit - Dave Jones of State Farm, withdrew this submission after discussion.

Aftermarket Parts - Bebee moved to request a better outline form from the course provider. Bahls seconded the motion. Motion carried with Boon opposed.

Filling the Gap - Bahls moved to request a better outline from the course provider. Bebee seconded the motion. Motion carried unanimously.

Gray Market Cars - Boon moved to request a better outline and more information from the course provider. Leenknecht seconded the motion. Motion carried unanimously.

Tax Qualified Plans - Leenknecht moved to accept the course. Bolt seconded the motion. Motion carried unanimously.

Bahls gave appreciation to State Farm for their good faith and their submissions.

Discussion of Course Review Appeals Process

Nelson reminded the advisory council members of the appeals procedure outlined in Montana Code Annotated. Nelson said the continuing education program also needs an appeal procedure that the providers can use before having to use that process.

The council discussed the following course of action for either appealing credit hours or a course disapproval: 1) if a sponsoring organization has credit hours for a course, then make a request in writing to the Department within a time-frame, and 2) if they cannot reach an agreement with the Department, then they can appeal to the advisory council and request the advisory council review the number of credit hours assigned. Then the advisory council would recommend any additional credit hours to the Commissioner.

Spaeth said the process should be called something other than an appeal, as appeal has a specific legal meaning. The working title for this process will be request for reconsideration.

Council Direction to Staff

The direction to staff is as follows: 1) request additional information and outlines on seven courses reviewed today; 2) prepare draft rules regarding requests for reconsideration, course resubmission and credit hour appeals; 3) provide council with the letter sent to Dave Adams, State Farm by Deputy Commissioner Coté; and 4) request the conference call operator redial and add members to the conference calls as they become available.

Administrative Details - Next Meetings - Proposed dates

The dates for the next meetings scheduled as teleconferences are April 12, 1994, and April 28, 1994, at 1:30 p.m. The next meeting scheduled for Helena is May 25, 1994, 1 to 5 p.m.

Meeting was adjourned at 4:55 p.m.

Exhibit 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - March 29, 1994

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Vickey Anderson	IIAM	442-9555
Roger McGlenn	IIAM/NIEF	442-9555
Ron Ashcraft	State Farm	443-0694
Dave Jones	State Farm	(503) 463-3738
Greg VanHorssen	State Farm	442-7450
LARRY AKEY	MIAU	449-3080

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CONTINUING EDUCATION

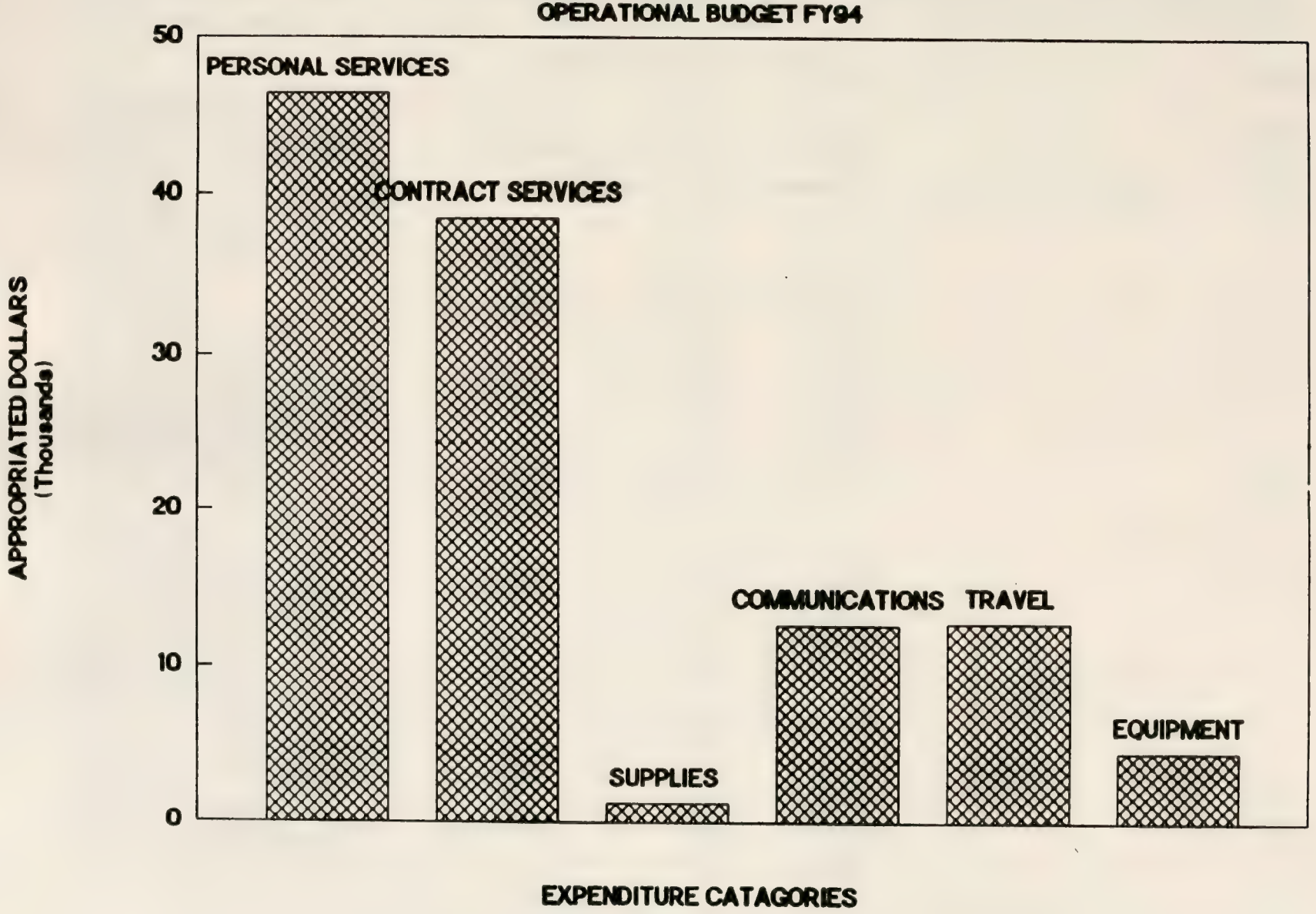

Exhibit 2

REPORT PAGE NO. 1 OF 5 | STATE OF MONTANA | REPORT DATE: 02/28/94
CONSECUTIVE PAGE NO. 384 | RESPONSIBILITY CENTER FINANCIAL REPORT | STATE AUDITORS OFFICE
SBAS FORM 661 | FOR THE MONTH OF: FEBRUARY, 1994 | CENTRAL ADMIN
REPORT 3364.P | CENTER 38 - CONTINUING EDUCATION | STATE AUDITOR'S OFFICE
RECORD FOR AGENCY 3401 | FISCAL PERIOD: 07-01-93 TO 06-30-94 PERCENT ELAPSED TIME: YTD 67% (PAYROLLS 60%)

PART A - OBJECT SUMMARY

	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	BALANCE	%COL
INCOME						
0310 CONTINUING ED	30,000.00	16,500.00	16,500.00		13,500.00	55%
*** TOTALS - BUDGETED INCOME	30,000.00	16,500.00	16,500.00		13,500.00	55%

	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	ENCUMBERED	BALANCE	%COM
EXPENSES							
* * PERSONAL SERVICES							
SALARIES							
1101 REGULAR		1,636.48	9,092.68				
1100-SALARIES	37,363.00	1,636.48	9,092.68			28,270.32	24%
EMPLOYEE BENEFITS							
1401 FICA		99.43	551.56				
1402 RETIREMENT - OTHER		109.64	610.19				
1403 GROUP INSURANCE		210.00	1,260.00				
1404 WORKERS COMPENSATION INSUR		25.08	133.40				
1409 MEDICARE TAX		23.25	128.99				
1410 STATE UNEMPLOYMENT TAX		4.10	22.77				
1400-EMPLOYEE BENEFITS	4,407.00	471.50	2,706.91			1,700.09	61%
HEALTH INSURANCE							
1500-HEALTH INSURANCE	4,560.00					4,560.00	
1000-PERSONAL SERVICES	46,330.00	2,107.98	11,799.59			34,530.41	25%
* * OPERATING EXPENSES							
OTHER SERVICES							
2102 CONSULT & PROF SERVICES			424.00				
2104 INSURANCE & BONDS		60.63	60.63				
2115 PHOTOGRAPHIC SERVICES		3.75	3.75				
2134 HONORARIUMS			350.00				
2190 PRINTING/PUB & GRAPHICS			4,372.91				
2191 PRINTING/OTHER PROVIDER			31.40				
2100-OTHER SERVICES	38,460.00	64.38	5,242.69			33,217.31	14%
SUPPLIES & MATERIALS							
2212 PHOTO & REPRODUCTION			3.60				
2226 FINE PAPER/CENTRAL STORES		1.10	3.77				
2236 OFC SUPPLIES/CENTRAL STORES		228.58	1,075.44				
2241 OFC SUPP/MIN EQUIP/NON-ST REV		28.11	380.08				
2245 DATA PROCESG SUPP/MINOR EQUIP		1.72	173.77				
2200-SUPPLIES & MATERIALS	1,200.00	259.51	1,636.66			436.66-	136%
COMMUNICATIONS							
2304 POSTAGE & MAILING		122.24	141.62				
2307 MESSENGER SERVICES - D OF A		5.62	5.62				
2370 TELEPHONE EQUIP CHRG/D OF A		30.35	105.70				
2385 LONG DISTANCE CHRG/D OF A		57.51	239.54				

STATE OF MONTANA
RESPONSIBILITY CENTER FINANCIAL REPORT
FOR THE MONTH OF: FEBRUARY, 1994
CENTER 38 - CONTINUING EDUCATION
FISCAL PERIOD: 07-01-93 TO 06-30-94; PERCENT ELAPSED TIME: YTD 67% (PAYROLLS 68%)

PART A - OBJECT SUMMARY

EXPENSES	BUDGET	CURRENT MONTH	CURRENT YEAR	PRIOR YEAR	ENCUMBERED	BALANCE	%COM
2306 LONG DISTANCE CHRG/NON-D OF A			1.55				
2309 TELEPHONE DIRECTORIES		1.42	1.42				
2300-COMMUNICATIONS	12,640.00	217.14	495.45			12,144.55	4%
TRAVEL							
2401 IN-STATE PERSONAL CAR MILEAGE		73.90	167.10-				
2402 IN-STATE COMMERCIAL TRANSPORT			317.00				
2408 IN-STATE LODGING		124.80	124.80				
2410 IN-STATE MEALS OVERNIGHT		62.00	62.00				
2461 TRAVEL ADVANCE-TEMPORARY		20.00	475.00				
2498 NON-EMPLOYEE TRAVEL		141.46-	1,974.06				
2400-TRAVEL	12,750.00	139.24	2,985.76			9,764.24	23%
RENT							
2527 RENT/D OF ADM BLDGS		250.62	1,611.06				
2500-RENT		250.62	1,611.06			1,611.06-	
REPAIR & MAINTENANCE							
2701 BUILDINGS & GROUNDS			11.88				
2750 MAINTENANCE CONTRACTS		1.09	1.09				
2700-REPAIR & MAINTENANCE		1.09	12.97			12.97-	
OTHER EXPENSES							
2809 EDUCATION/TRAINING COSTS		265.00	435.00				
2817 MEETINGS/CONFERENCE COSTS			53.37				
2800-OTHER EXPENSES		265.00	488.37			488.37-	
2000-OPERATING EXPENSES	65,050.00	1,196.98	12,472.96			52,577.04	19%
## EQUIPMENT & INTANGIBLE ASSETS							
EQUIPMENT							
5104 COMMUNICATIONS		28.52	28.52				
5100-EQUIPMENT	4,468.00	28.52	28.52			4,439.48	1%
5000-EQUIPMENT & INTANGIBLE ASSETS	4,468.00	28.52	28.52			4,439.48	1%
### TOTALS - BUDGETED EXPENSES	115,848.00	3,333.48	24,301.07			91,546.93	21%

PART B - BALANCE FORWARD

BEGINNING BALANCE		.00
TOTAL INCOME TO DATE	16,500.00	
TOTAL EXPENSE TO DATE	24,301.07	
INCOME LESS EXPENSES		7,801.07-
ENDING BALANCE		$ 7,801.07-

PART C - THIS MONTHS TRANSACTION DETAILS

INCOME	OBJECT CODE	FORM CODE	DOCUMENT NUMBER	TRANSACT DATE	TRANSACTION REFERENCE	BUDGET	INCOME	EXPENSE

EXPENDITURES

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 1
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT:	A 1100 Salaries	B 1101 Regular Salaries	C 1400 Benefits	D 1401 FICA
REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH	1,636.48	1,636.48	367.76	100.44
BUDGETED	37,363.00	.00	4,407.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	10,729.16	10,729.16	3,074.67	652.00
BALANCE	26,633.84	-10,729.16	1,332.33	-652.00

[redacted] [redacted]

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 2
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT:	A 1402 Retirement	B 1403 Insurance	C 1404 Workers Comp	D 1409 Medicare Tax
REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH	109.64	105.00	25.08	23.50
BUDGETED	.00	.00	.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	719.83	1,365.00	158.48	152.49
BALANCE	-719.83	-1,365.00	-158.48	-152.49

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 3
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT:	A 1410 Unemployment	B 1500 Budgeted Health	C 2100 Other Services	D 2102 Consulta Prof Suc
REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH	4.10		5.32	
BUDGETED	.00	4,560.00	38,460.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	26.87	.00	5,248.01	424.00
BALANCE	-26.87	4,560.00	33,211.99	-424.00

[redacted] [redacted]

DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT: A 2104 Insurance & Bonds B 2115 Photo Ser. C 2134 Honorarium D 2190 Printing/P&G

REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH				5.32
BUDGETED	.00	.00	.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	60.63	3.75	350.00	4,378.23
BALANCE	-60.63	-3.75	-350.00	-4,378.23

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 5
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT: A 2191 Printing/other B 2200 Supplies C 2212 Photo & Repro D 2226 Fine Paper

REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH		2,487.71		0.92
BUDGETED	.00	1,200.00	.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	31.40	4,124.37	3.60	4.69
BALANCE	-31.40	-2,924.37	-3.60	-4.69

[redacted]

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 6
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT: A 2236 Office Supplies B 2241 Off. Min Equip. C 2245 Data Proc Sup. D 2300 Communications

REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH		911.79	1,575.00	14,099.26
BUDGETED	.00	.00	.00	12,640.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	1,075.44	1,291.87	1,748.77	14,594.71
BALANCE	-1,075.44	-1,291.87	-1,748.77	-1,954.71

[redacted]

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 7
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT: A 2304 Postage B 2307 Messenger C 2370 Telep. Equip D 2372

REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH	13,752.35		35.35	10.12
BUDGETED	.00	.00	.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	13,893.97	5.62	141.05	10.12
BALANCE	-13,893.97	-5.62	-141.05	-10.12

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 8
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT: A 2385 Long Distance Oyk B 2386 Long Distance VDW Oyk C 2387 D 2389 Telephone Directories

REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH	266.35		35.09	
BUDGETED	.00	.00	.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	505.89	1.55	35.09	1.42
BALANCE	-505.89	-1.55	-35.09	-1.42

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 9
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT: A 2400 Travel B 2401 In-State Car C 2402 In-State Comm. D 2408 In-State Lodging

REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH	667.41	241.00	-241.00	
BUDGETED	12,750.00	.00	.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	3,653.17	73.90	276.00	124.80
BALANCE	9,096.83	-73.90	-276.00	-124.80

[redacted]

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 10
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT: A 2410 In-State Meals	B 2431	C 2438	D 2440
REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH		134.68	116.48	74.00
BUDGETED	.00	.00	.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	62.00	134.68	116.48	74.00
BALANCE	-62.00	-134.68	-116.48	-74.00

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 11
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT: A 2461 Travel Advance	B 2498 Non-Emp. Travel	C 2500 Rent	D 2527 Rent - Dept A Bldg.
REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH	-475.00	817.25	198.20	198.20
BUDGETED	.00	.00	.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	.00	2,791.31	1,809.26	1,809.26
BALANCE	.00	-2,791.31	-1,809.26	-1,809.26

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 12
DATE: 03/28/94 TIME: 09:45:57

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT: A 2700 Repair + Maint.	B 2701 Building + Grounds	C 2750 Maint. Cont.	D 2800 Other
REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH	0.32		0.32	235.00
BUDGETED	.00	.00	.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	13.29	11.88	1.41	723.37
BALANCE	-13.29	-11.88	-1.41	-723.37

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT:	A 2809 Educ+Training	B 2817 Meetings+Conf.	C 3100 Equipment	D 3104 Communications
REV EST/ APPROP	24521	24521	24521	24521
ACCTG ENT	02235	02235	02235	02235
CURR MNTH	235.00			
BUDGETED	.00	.00	4,468.00	.00
ENCUMBRD	.00	.00	.00	.00
PRIOR YR	.00	.00	.00	.00
CURR YR	670.00	53.37	28.52	28.52
BALANCE	-670.00	-53.37	4,439.48	-28.52

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : EXPENDITURE LIST ALL OBJECTS (Y,N): Y

OBJECT:	A 9999 Total Program	B	C	D
REV EST/ APPROP	00000			
ACCTG ENT	00000			
CURR MNTH	19,697.46			
BUDGETED	115,848.00			
ENCUMBRD	.00			
PRIOR YR	.00			
CURR YR	43,998.53			
BALANCE	71,849.47			

PF1 - MENU, PF2 - INQUIRY, PF4 - SELECT
PF7 - BACK, PF8 - FORWARD RSP:
* LAST PAGE OF OBJECTS *
4BÜ Aa B0--SESSION1 R 23 C 72 9:23 3/28/94

2150 RESPONSIBILITY CENTER CONTROL LEDGER PAGE: 1
DATE: 03/28/94 TIME: 09:18:52

RECORD FOR AGENCY : 3401 RESPONSIBILITY CENTER : 38
OBJECT OF : REVENUE LIST ALL OBJECTS (Y,N): Y

OBJECT: A 0310	B 9999	C	D
REV EST/ APPROP 24553	00000		
ACCTG ENT 02235	00000		
CURR MNTH 6,975.00	6,975.00		
BUDGETED 30,000.00	30,000.00		
ENCUMBRD .00	.00		
PRIOR YR .00	.00		
CURR YR 23,475.00	23,475.00		
BALANCE 6,525.00	6,525.00		

→ additional 87 course submissions by the end of FY 94 (June 31, 1994)

PF1 - MENU, PF2 - INQUIRY, PF4 - SELECT
PF7 - BACK, PF8 - FORWARD RSP:

4BÜ Aa B0--SESSION1 R 23 C 72 9:23 3/28/94

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

National Association of Professional Insurance Agents

Errors and Omissions Loss Prevention

This course addresses product knowledge of errors and omissions insurance. This seminar is 4 hours of classroom instruction that address errors and omissions, potential insureds, agent authority, controlling exposure and surplus lines. The first offering of this course is March 30, 1994 in Pleasanton, California.

Society of Certified Insurance Counselors

The following courses are part of the Certified Insurance Counselor certification program. All of the courses listed are presented through classroom presentations of 20 hours. The sponsoring organization has requested all 1994 offerings of these courses be approved for Montana continuing education credit.

Agency Management Institute
Commercial Property Institute
Life and Health Institute
Personal Lines Institute
Advanced Coverage--James K. Ruble Seminar
Agency Planning--James K. Ruble Seminar
Contractors--James K. Ruble Seminar
Financial Institutions--James K. Ruble Seminar
Life & Benefits--James K. Ruble Seminar
Manufacturers--James K. Ruble Seminar
Managing People--James K. Ruble Seminar
MEGA Seminar--James K. Ruble Seminar
Personal Lines--James K. Ruble Seminar

Rain and Hail Insurance Service, Inc.

Crop Insurance Agents Annual Update Seminar

This course addresses product knowledge of 1994 National Crop Insurance Services and Federal Crop Insurance Corporation materials and coverage. The course is 6 hours of classroom instruction with an examination. The first offering of this course was March 7, 1994 in Great Falls.

Montana Association of Life Underwriters

Trust Utilization in Estate Planning/Changes in Montana insurance statutes and administrative law

This convention addresses product knowledge, management and ethics. The convention is 13 hours of instructional seminar, with 3 hours of instruction on trust utilization in estate planning and 1 1/2 hours of changes in Montana statutes and law. The course is scheduled April 27-30,1994 in Butte.

State Farm Insurance

F494-Fire Claims Handling Basics

This course addresses product knowledge of fire claims. The course is 3 hours of classroom instruction that includes: water damage, fire and lightening damage, wing losses and adjusting claims. This is an ongoing offering.

Exhibit 4

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for additional Advisory Council review and recommendation.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

State Farm

The following courses are better submitted as pre-licensing education.

Agent's School 2
Agent's School 4
Agent's School 2--Pre Training
Agent's School 4--Pre Training
Agent's School 1--Pre Training
Agent's School 2--Pre Training

The following courses do not "improve the product knowledge, management, ethics or marketing capability" of a licensee or do "substantially or entirely address" "psychology; motivation; prospecting; supportive office skills; time management; agent recruiting; computer training or programming; computer science; or securities, other than variable contracts.

Inland Marine Insurance
Americans with Disabilities Act
Auto Application/Key Questions
Property Survey Seminar
Contractor Policy
Retirement Income Checkup
Commercial Insurance Audits
Working for Auto/Fire Profit
Aftermarket Parts
Filling the Gap
Gray Market Cars
Tax Qualified Plans
Agent's School 3

Insurance Continuing Education Advisory Council

Minutes

March 29, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The meeting of the Insurance Continuing Education Advisory Council was called to order in Conference Room 402 of the State Capitol Building at 1:00 p.m. by Mark Nelson.

Members Present

Mark Nelson, Insurance Department Non-Voting Member
John Bebee, Unaffiliated Insurance Agent Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member
Robin Boon, Independent Insurance Agents of Montana Member
Ted Clark, Public Member
Steve Bahls, Public Member

Staff Present

Mary Arnold, Continuing Education Program
Gary Spaeth, Legal Counsel
Tom Crosser, Fiscal Control
Frank Coté, Deputy Commissioner of Insurance
Nita Holman, Recording Secretary

A list of other parties present is attached as Exhibit 1.

Review and Approval of Minutes

Nelson asked that the minutes of March 18,1994 reflect the correction on page 3, paragraph 4; course submissions "through February 1, 1994, 2:15 p.m.

Leenknecht requested an addition to the minutes of March 18,1994 on page 3, at the end of paragraph 3; Leenknecht attended a course of this type, but not this specific course.

Clark requested a correction to the minutes of February 22, 1994 on page 2, paragraph 4 regarding the capability of staff handling the appeal process.

Clark said there's going to have to be a certain amount of give and take with arbitration. You guys give it your best shot until we get together, bring us to date and if there are some trends and you would like us to give some feedback and make some recommendation, we sure can. But in the meantime, I say, that you guys are going to be able to handle it very nicely.

Clark requested future minutes reflect comments at length.

Bolt moved to accept the minutes of December 9, 1993, February 4, 1994, February 22, 1994 and March 18, 1994 as corrected. Clark seconded the motion. The motion carried unanimously.

Budget Overview - Tom Crosser

Crosser passed out the Operational Budget for FY94 and the State Wide Budget and Accounting System report for the continuing education program attached as Exhibit 2. Crosser said money has been borrowed from other accounts to balance three months of revenue generation. There have been approximately $43,000 of expenditures and $23,475 of revenue generated as of March 28, 1994. Crosser said an additional 87 course filings were needed to make the projected revenue for this fiscal year. Crosser said the communication expenditures were larger than projected. Money will be temporarily shifted to balance the shortage.

Bebee asked when the second FTE employee for the continuing education program will be hired. Crosser said the other position will probably be filled in a month.

Crosser said the FY 96 budget is being developed. Leenknecht asked about the postage costs and said how it would be better if

things were faxed to the members. Arnold said most of the postage costs have been mailings to agents.

Leenknecht asked about health insurance costs. Crosser said that was the state allotted amount.

Bebee asked whether the fee schedule would be monitored to make sure that the fees pay for the program, but do not accumulate excess funds. Crosser reminded the council the initial course fee projection was $150.00 and the fee is actually $75.00. Arnold said the program should meet the revenue projection by June 30, 1994.

Old Business

State Farm

Deputy Commissioner Coté apologized to those organizations which inadvertently not received notice of some meetings. Corrections have been made to the fax notification list to prevent any future difficulties. Several phone number corrections were offered by those members of the public present.

Clark asked about the State Farm regarding the quantity of credit hours assigned their course submissions. Coté said a letter was sent to David Adams explaining the process used to approve courses, how credit hours were determined, and providing a list of State Farm courses which have been approved.

Bebee questioned how credit hours are assigned. Coté replied courses that provide continuing education get credit; course that provide agent training or pre-licensing receive no credit or reduced credit hours. Nelson reminded the council that credit hours and course hours are different.

Bebee asked if council members would receive a copy of the letter sent to State Farm. Arnold said yes.

Bahls asked if the administrative rules were clear as on awarding credit hours. Coté replied that the rules are broad. Spaeth

said the rules may be too flexible. Boon said rule revision should be delayed as the advisory council is so new.

Presentation of Course Summaries

Arnold passed out Course Review Summaries recommended for advisory council approval, dated March 29,1994, attached as Exhibit 3. Arnold said the course entitled *Commercial Casualty Institute* should be included under Society of Certified Insurance Counselors. Bebee moved to accept all of the courses. Leenknecht seconded the motion. The motion carried unanimously.

Arnold passed out Course Review summaries recommended for additional advisory council review and recommendation, dated March 29, 1994, labeled Exhibit 4. The program staff requested further direction from the council on these courses. Arnold reviewed staff concerns with the courses. The seven State Farm *Agent's School* courses are better suited as pre-licensing course submissions. After discussion regarding the course outlines and content, the council recommended these courses be considered continuing education. Leenknecht moved to accept the Agent's School courses. Bolt seconded the motion. The motion carried unanimously.

Arnold passed out two courses to each council member for their review.

Public Comment

Dave Jones, State Farm, talked about how important it is for the agent to know about their own products, but also about generic products. Jones feels that any program that can help the agent is good for the consumer. Jones would like to know what the courses that have reduced credit hours need, so that he can resubmit them. He suggested the council have copies of each submission to review.

Roger McGlenn, Independent Insurance Agents of Montana, stated that when questions come up about submissions, the advisory council should review these courses individually.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

March 18, 1994 Meeting
Sam W. Mitchell Building -- Room 270

Call to order	1:00
Course review process	1:05
Public Comment	1:15
Discussion of course summaries	1:30
Council direction to staff	2:15
Adjourn	2:30
Administrative Details - Next Meeting	2:30

March 29, 1994 - Helena 1 - 4 p. m.

March 8, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes

March 18, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The teleconference meeting of the Insurance Continuing Education Advisory Council was called to order in the Conference Room of the State Auditor's office in the Sam Mitchell Building at 1:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member
Robin Boon, Independent Insurance Agents of Montana Member
Ted Clark, Public Member

Staff Present

Mary Arnold, Continuing Education Program
Nita Holman, Recording Secretary
Frank Coté, Deputy Insurance Commissioner
Gary Spaeth, Chief Legal Counsel

A list of other parties present is attached as Exhibit 1.

Budget

Arnold summarized the budget of the Continuing Education Program. As of February 28, 1994, $16,500 of revenue had been generated, with a current balance of $13,500. Tom Crosser will attend the next meeting to give an update of all the budgetary information. 55% of expected revenue for fiscal year 1994 has been generated.

Course Review Process

Arnold went over a copy of a course submission, attached as Exhibit 2. She explained how a course is reviewed, according to Section 33-17-1204, MCA. The items reviewed are what area is addressed by the course, how much course time is available, whether the course provides continuing education or agent training and what other issues are discussed, breaks, lunches, etc. Other criteria are what portion of course deals with continuing education, what part deals with other activities, the content of the course and when the course is to be offered.

Bolt asked about credit hours given to the course. Arnold said courses are not assigned credit hours until they are approved. Arnold said the largest credit hours given thus far is 18. Boon asked if there was any way to check on the courses, besides just the submissions. Arnold said that there have been five courses attended by people from our office, precisely for that reason. Those attending, checked the credit hours, the information, and evaluated the course.

Course Summaries

Arnold presented the Course Review Summaries, attached as Exhibit 3. Clark had a question on Xerox Financial Services Life Insurance Company's submission called New Ideas in Variable Annuities. He asked if this was a course for a new product, exclusively. Arnold said a portion of the course was on a new product, but the majority of the course dealt with new variable annuity plans.

Clark asked about the New York Life-Montana course submission, Agency Kick-off Meeting. Arnold said this course was seriously discussed by staff. The Deputy Insurance Commissioner had been in attendance and had reported on the content. The course may receive one half a credit hour.

Boon had questions about the Western Montana Life Underwriters Association course, Montana Limited Liability Companies and their Tax Considerations. Boon asked if this course was strictly for

tax considerations. Arnold replied the course dealt with changes that affect how to cover insurance and tax liabilities. Leenknecht had attended these courses and felt they were very good.

Boon asked how The Mutual Group Life Insurance Company course, Knowledge is the Producers Power, pertained to insurance. Arnold replied that the insurance issues come out when they are discussing the trusts that include insurance related items.

Leenknecht asked if the International Foundation of Employee Benefit Plan courses made any comment on the hours involved. Arnold replied 36 hours. Boon said she has seen the course and it was quite extensive.

Bolt asked about the National Association of Professional Insurance Agents courses. He said that they had submitted 11 courses and wondered where the other two courses were. Arnold said that two of the courses did not contain all of the submission materials that were needed, and that a letter has been sent to them asking for the materials. Arnold said that we have other courses that were not finalized because of problems. They will be dealt with as soon as the submissions were complete.

Boon asked through what date have submissions been reviewed. Arnold replied through February 12, 1994. (Closer examination of the submissions after the meeting showed the latest course submission reviewed to be dated February 1 2:15, 1994)

Public Comment

Ron Ashabraner of State Farm voiced his concern about not being notified of meetings. He also read the letter attached as Exhibit 4. Nelson asked for a copy of this letter so copies could be sent to all of the council members and a Departmental response drafted.

Nelson said he will check on meeting notification. Bolt felt that State Farm has some legitimate concerns. Boon said an

appeal process is needed for sponsoring organizations that receive fewer credit hours than they think they should receive.

Course Approval

There was discussion concerning the New York Life course, Kick-Off. The committee decided to include it in those approved but to keep a close look at it. Clark made a motion to approve all the courses submitted; Boon seconded the motion. The motion carried unanimously.

Council Direction to Staff

Boon would like a detailed agenda sent before the March 29th meeting. Boon suggested that maybe our next meeting will not be long enough to cover what needed to be done and to get the appeal process put on the next agenda. Arnold said the items for the next agenda are: budget, appeal process, continuing education courses which have problems. Boon asked about coming in the morning on the 29th to do some course submissions. This will be investigated as a possibility.

Bolt asked what the role of the council was for approval of course hours. Nelson replied that the assigning of hours is left to the Commissioner, by statute. As far as appeal, it needs to be defined.

Bolt asked when the credit hours assigned to the courses approved today would be available. Nelson replied the information should be available by the end of this next week.

Bolt made a motion to adjourn. Boon seconded the motion. The motion carried unanimously. The meeting was adjourned at 3:30 p.m.

CERTIFIED FUND SPECIALIST

The Institute of
Certified Fund Specialists

7911 Herschel Ave. Suite # 201
La Jolla, CA 92037
(800) 848-2029

RECEIVED
STATE AUDITORS

JAN 28 10 22 AM '94

HELENA, MONT.

January 21, 1994

The Institute of Certified Fund Specialists offers the professional designation "Certified Fund Specialist Course." The course is offered through mail correspondence on an ongoing basis. Completion of the course, including study time, is approximately 60 hours. Although the average time for course completion is between 3-5 months, our candidates are given an entire year to complete the CFS Course.

A final exam requiring a passing score of 70% or better determines successful completion of the course. The exam is conducted through PROCTOR Development Centers(previously known as PLATO), as administered by the NASD, which ensures that the candidate takes the exam without assistance. A candidate is required to provide PROCTOR with a picture identification card before sitting for the exam. It is a 2 hour exam with 100 multiple choice questions. Upon successful completion of the exam, a "Certificate of Completion" is sent to the candidate. Graduate information is maintained on computer files, as they are required to complete annual CE with ICFS.

The CFS Course is designed to increase the knowledge of our candidates in the field of mutual funds, annuities and other investment companies. Its purpose is to enhance the professionalism of the financial industry, while providing qualified investment advisors who are adequately prepared to serve their clientele. The CFS Course contains a number of sections on various annuities and their functions, which applies directly to the area of life insurance.

I have included the following materials to assist you in your evaluation:

- Completed application forms
- Detailed course outline complete with time schedule breakdown
- Course description
- Course coordinator information sheet
- List of states that have approved the CFS course
- Return policy and fee information
- Course filing fee of $75.00 in the form of a check

If you need any further information, please contact me at (619) 454-4073.

Sincerely,

Cynthia Robertson
Continuing Education Coordinator

Certified Fund Specialist Course
Instructor

The course materials were developed by Gordon K. Williamson, JD, MBA, MS, CFP, ChFC, CLU, RP. He has a lifetime teaching credential from the state of California (California Community College — Credential Number 339244). Mr. Williamson has over 10 years of experience teaching investment and financial planning courses at the University of California. He is a former tax attorney and current branch manager of a national brokerage firm (Linsco Private Ledger). He has been admitted to the Registry of Financial Planning Practitioners, the top designation of the financial planning industry.

Mr. Williamson is the author of many books including: *The 100 Best Mutual Funds You Can Buy*, *All About Annuities*, *The Dearborn Investment Companion*, *Investment Strategies*, *Survey of Financial Planning*, *Tax Shelters*, *Advanced Investment Vehicles and Techniques*, *Your Living Trust*, and *It's Later Than You Think*.. He has also been the financial editor of various magazines and newspapers and a stock market consultant for a television station.

Evaluation and contributions to the course were also given by:

Robert P. Chambers, CPA, MA (Economics), ChFC, CLU.
Robert has served as Instructor of Accounting at the University of Texas and Trinity University.

Lawrence Hasbrouck, Ph.D. (Management), MBA.
Lawrence is the Dean of Academic Affairs for Phillips Junior College in Mississippi.

Earl A. Snyder, JD, LLM, CFP, CLU, ChFC.
Earl is a member of the Society of Professional Journalists, Financial Planners-Financial Institution Network and Practice Management Network of the Institute of Certified Financial Planners. Mr. Snyder is also an author of various books and articles in the area of financial planning.

Jeremy J. Black, CFP
Jeremy has over ten years experience building and implementing portfolios. *Stanger Register* named Mr. Black the leading asset allocation strategist. Mr. Black is a frequent speaker as well as contributor to financial journals on asset allocation. His primary contribution to the industry is his computer program, RAMCAP, which performs asset allocation calculations.

Development and refinement of the CFS reading materials is a never ending process. Since the course was first offered, we have accepted and incorporated the feedback of all of our candidates on the material in order to make them the best available.

CERTIFIED FUND SPECIALIST COURSE

Course Purpose and Description

PROVIDER: The Institute of Certified Fund Specialists

COURSE TITLE: Certified Fund Specialist Course

LINE OF INSURANCE: Life/Variable Products

COURSE PURPOSE/OBJECTIVE:

The Professional Designation, CFS, is designed to increase the knowledge of our candidates in the field of mutual funds, annuities and other investment companies. Its purpose is to enhance the professionalism of the financial industry, while providing qualified investment advisors who are adequately prepared to serve their clientele.

COURSE SUMMARY:

1 Introduction to Mutual Funds — *Selected Readings* Chapters 1 - 6

Assignment 1 gives a basic introduction to investment companies and their different features. This assignment focuses primarily on the versatility and benefits provided by mutual funds. Topics covered include the history of mutual funds, government regulation, the Investment Company Acts, how funds operate, services provided, professional management, the risks of investing, how to purchase and sell shares, the costs of investing, valuing shares, tracking performance, accumulation plans, and analyzing distributions and net asset value changes.

2 Mutual Fund Categories — *Selected Readings* Chapters 7 - 12

Assignment 2 expands upon the different types of mutual funds and their different investment objectives. It begins with complete coverage of the different fund objectives and SEC investment requirements. Within each objective, the investment vehicles (types of securities) are introduced and discussed regarding their history, risks and rewards. This assignment also provides the history, differences, unique features, operations, risks and rewards of closed-end funds, real estate investment trusts and unit investment trusts.

3 Studies — *Selected Readings* Chapters 13 - 16

Assignment 3 begins with a discussion of the advantages and disadvantages of the different market indexes for stocks, bonds and international securities. The text introduces performance measures and basic statistics and then provides a thorough historical perspective on the performance of the different market indexes and mutual fund categories.

4 Selecting Mutual Funds — *Selected Readings* Chapters 17 - 27

Assignment 4 covers the many aspects of selecting and screening portfolios. Consideration is made for the manager, the investor's risk level, the asset category's historical performance, the fund's performance and the fund's risk. Candidates also learn the details behind the prospectus and statement of additional information. The text details the importance of risk adjusted performance, advanced statistical evaluation measures and the different ways of measuring fund returns when distributions are

involved. Candidates learn to scrutinize performance figures supplied by the funds or other sources. Taxes, sales charges, portfolio size, portfolio turnover, and bond duration are also examined.

5 Dollar-Cost Averaging and Staying Invested — *Selected Readings* Chapters 28 - 33

Assignment 5 covers basic risk reduction techniques. Candidates first review academic studies on the advantages and disadvantages of market timing services. Dollar-cost averaging is then introduced as a primary risk reduction technique and alternative to timing. Another alternative, staying invested through market cycles, is discussed as a method which provides steady returns. The last basic risk reduction technique is investing early and for the long-term. These techniques build upon the historical perspective knowledge gained from the other assignments.

6 Withdrawing Funds — *Selected Readings* Chapters 34 - 35

Assignment 6 covers the advantages of withdrawing money from mutual funds through a systematic withdrawal plan. This assignment also covers the rules regarding withdrawals from individual retirement accounts (IRAs).

7 Additional Topics — *Selected Readings* Chapters 36 - 41

Assignment 7 covers IRAs, taxes on distributions, planning for retirement and college, trusts, gifts to minors and the different methods of titling assets.

8 Introduction to Annuities — *Selected Readings* Chapters 42 - 46

Assignment 8 introduces annuities and their similarities and differences relative to mutual funds. This assignment covers the contract, accumulation and payout plans, annuitization, insurance aspects, tax advantages and probate considerations. Immediate, deferred, fixed-rate, variable-rate, and hybrid annuities are all considered. Attention is also given to fees, potential IRS penalties and tax consequences, potential insurance company penalties, reserve requirements and insurance company ratings.

9 Annuity Topics — *Selected Readings* Chapters 47 - 55

Assignment 9 details specific topics concerning annuities. It begins with the guarantees, bail-out provisions, screening considerations and other details of fixed-rate annuities. Candidates then learn the investment options and specifics of variable and split annuities. The text covers the similarities and differences between mutual funds, IRAs, annuities and group plan annuities (TSAs) as well as state guarantee laws, special considerations regarding ratings, how to evaluate insurance company and annuity portfolios, and how to fit annuities in the financial plan.

10 Time Value of Money — *Selected Readings* Appendix B

Assignment 10 teaches candidates methods of calculating present and future values of investments under different rates of return.

11 Reducing Risk & MPT — Modern Portfolio Theory Chapters 1 - 6

Assignment 11 teaches advanced techniques of reducing risk and managing assets in portfolios of mutual funds and annuities. Candidates learn the concepts of diversification and the different types of asset allocation strategies. This assignment provides the

Exhibit 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - March 18, 1994

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Vickey Anderson	IIAM	
Roger McGlenn	IIAM	
Ron Ashabrenner	State Farm	
Gregory Van Horssen	State Farm	
Frank Coté	Insurance Div	
Gary Spaeth	State Auditor	

Please print

Exhibit C

Complete a form for each course submitted for review.

Sponsoring Organization The Institute of Certified Fund Specialists

Mailing address 7911 Herschel Ave., Suite #201
La Jolla, CA 92037

Phone Number (619) 454-4073

Course Title Certified Fund Specialist Course

Proposed date(s) of offering Offered on an on-going basis

Designated contact person Cynthia Robertson, Cont. Educ. Coordinator

Method of instruction:

- ☐ classroom
- ☒ self-study
  - ☒ correspondence
  - ☐ videotape
  - ☐ audiotape
- ☐ teleconference
- ☐ other (specify) _____
- ☒ course length in hours 60 hours

Attach the following material:

- ☒ the course goals and objectives
- ☒ a syllabus or course outline, including a summary of each course topic
- ☒ method of administering examinations
- ☒ a written explanation of test security measures
- ☒ method of attendance verification
- ☒ method of student
- ☒ a list of
- ☒ a list of instructors

I request that the attached materials be reviewed for certification and approval by the Montana Insurance Continuing Education Program. I certify that the information submitted regarding this course is true and correct. I understand that additional materials may be requested by the Montana Insurance Continuing Education Program as part of the course review and certification process. I certify instructor qualifications, per 6.6.4204, ARM, including the practical and academic experience of each faculty member is sufficient to teach the subject assigned; the course enhances the ability of a producer to provide insurance services to the public effectively; and the subject matter relates to professional ethics, where practicable.

CYNTHIA ROBERTSON Cynthia Robertson CONT. EDUC. COORD. 1/21/94

Name (please print) Signature Title Date

historical and theoretical background necessary for an understanding of modern portfolio theory (MPT). It also covers advanced statistical topics necessary for utilizing modern portfolio theory.

12 Implementing Asset Allocation — Modern Portfolio Theory Chapters 7 - 12

Assignment 12 integrates all other assignments with practical information on implementing the knowledge gained. It begins with client suitability, making sure that the investment policy is suitable to the client legally, financially, and psychologically. The investment advisor then learns to fulfill their fiduciary responsibilities in establishing, implementing and monitoring the portfolio of mutual funds and annuities. Candidates learn to assess clients' risk levels, choose appropriate investments, and monitor portfolio performance. Advanced topics of this assignment include risk tolerance considerations, ongoing asset allocation strategies and asset allocation sensitivity analysis.

Certified Fund Specialist Course
Course Outline

The following topics are covered in the CFS course. A study time break down is provided on the last page. Approximately 25 hours are allotted for reading the text, excluding the Investor Relations section. The Study Guide binder includes 12 assignments and 3 exercises, which accounts for approximately 33 hours. The remaining 2 hours are assigned to the final exam administered through the PROCTOR testing centers.

Selected Readings	Chapter	Pages	Appx. Minutes
Investment Companies	1	4	19
The Universe of Mutual Funds	2	7	33
Fund Features	3	7	33
Commonly Asked Questions	4	4	19
Advantages of Mutual Funds	5	3	14
Distributions and NAV	6	4	19
Mutual Fund Categories	7	24	112
Money Market Funds	8	8	37
Convertible Funds	9	5	23
Closed-End Funds	10	14	65
REITs	11	6	28
Unit Trusts	12	3	14
Stock Market Indicators	13	8	37
Rates of Return vs. Hype	14	6	28
Historical Performance	15	10	47
The Cost of Owning CDs	16	6	28
Templeton and Lynch	17	3	14
Seven Step Selection Process	18	7	33
The Mutual Fund Prospectus	19	19	89
Mutual Fund Performance	20	10	47
Redefining Risk	21	7	33
Comparing Performance	22	6	28
Load vs. No-Load Funds	23	5	23
Size vs. Performance	24	4	19
Using Low Turnover Funds	25	2	9
Bond Duration	26	2	9
Advisor's Selections	27	6	28
Market Timing	28	8	37
Formula Timing Plans	29	2	9
Dollar-Cost Averaging	30	4	19
The Cost Of Procrastination	31	2	9
Timing Indicators	32	12	56

Certified Fund Specialist Course
Course Description (continued)

Staying Invested	33	6	28
Systematic Withdrawals	34	3	14
IRA Withdrawals	35	5	23
IRAs After Tax Reform	36	3	14
Taxes And Distributions	37	9	42
Tax Strategies For 1992	38	3	14
Retirement Calculator	39	8	37
Determining College Costs	40	3	14
Taking Title	41	10	47
Introduction to Annuities	42	6	28
The Different Types of Annuities	43	5	23
Annuitization	44	7	33
Advantages of Annuities	45	10	47
Disadvantages of Annuities	46	7	33
Fixed-Rate Annuities	47	6	28
Variable Annuities	48	5	23
Split Annuities	49	2	9
Annuities Versus Mutual Funds	50	6	28
Evaluating Insurance Companies	51	10	47
The Rating Game	52	10	47
Group Plan Annuities	53	7	33
Annuities in the Financial Plan	54	4	19
Survivorship Tables	55	6	28
Individual Retirement Accounts	56	28	130
Keoghs	57	25	116
Modern Portfolio Theory			
Diversification	1	4	19
Asset Allocation	2	7	33
Security Analysis	3	4	19
Modern Portfolio Theory	4	13	61
Structuring A Portfolio	5	5	23
Presenting MPT To Clients	6	31	144
Client Suitability	7	9	42
Fiduciary Standards	8	8	37
Testing Risk Tolerance	9	11	51
Selecting Funds	10	10	47
Rebalancing The Portfolio	11	10	47
Asset Allocation Sensitivity	12	4	19

CERTIFIED FUND SPECIALIST COURSE

Course Outline

The Certified Fund Specialist Course is a professional education course that leads to the professional designation CFS. This mail correspondence, self-study course provides the best mutual fund and annuity education available. The course work consists of a comprehensive, in-depth collection of both quantitative and qualitative mutual fund and annuity information. An outline of the course readings and an estimated study time breakdown (see last page) is provided below.

Selected Readings Binder Outline.....Chapter Pages

Investment Companies.....1 4

This section reflects the following topics:

Introduction
Closed-End Mutual Funds
Determining Value
Open-End Mutual Funds
Determining Value
Regulation of Investment Companies
The Mutual Fund
Custodians & Transfer Agents
Annuities

The Universe of Mutual Funds.....2 6

This section reflects the following topics:

Introduction
Definition
How To Invest In A Mutual Fund
Prices At Which Shares Are Bought
How A Mutual Fund Operates
The First Mutual Funds
How People Invest in Funds
Reasons Funds Are Used

Fund Features.....3 7

This section reflects the following topics:

Introduction
Professional Management
Ease of Purchase
Access to Your Money (Marketability)
Exchange Privileges
Automatic Reinvestment
Automatic Withdrawal
Detailed Record Keeping
Retirement Plans
Risk Reduction: Importance of Diversification
Service
Shareholder Reports

Commonly Asked Questions.....4 4

This section reflects the following topics:

Introduction
History, Min Investment, risks,
evaluating performance, yield vs. total return

Advantages of Mutual Funds.....5 3
This section reflects the following topics:
Low Cost Shifting of Investments
Accumulation Plans
Withdrawal Accounts
Cost Effective Diversification
Professional Management
Distributions and NAV.....6 4
This section reflects the following topics:
Introduction
Analyzing NAV Changes
Per Share Data Section
Distributions Decrease NAV
NAV and Distributions
Mutual Fund Categories.....7 15
This section reflects the following topics:
Introduction
Aggressive Growth (Small Company) Funds
Balanced (Total Return) Funds
Equity (Flexible) Income
Corporate Bond Funds
The Advantages of Bond Indexing
Government Bond Funds
Growth Funds
Growth & Income Funds
High Yield Funds
International (Global) Bond Funds
International (Global) Equity Funds
Spreading Out Among Foreign Funds
Metal Funds
Money Market Funds
Shedding Lower-Grade Paper
Municipal Bond Funds
National Municipal Bond Funds
State-Free Municipal Bond Funds
High Yield Municipal Bond Funds
"All Weather" Funds
Non-diversified Funds
Performance Summary
Money Market Funds.....8 6
This section reflects the following topics:
Introduction
Types of Money Market Instruments
Repurchase Agreements
Certificates of Deposit
Bankers' Acceptances
Documented Discount Notes
Commercial Paper
Eurodollar Instruments
Evaluating Risk
The Importance of Money Markets
Money Market vs. Bank Accounts
Chances of Losing Money
Reviewing the Fund's Holdings

Advertised Yields
Convertible Funds 9 5
This section reflects the following topics:
Introduction
Definition and Background
History
Interest and Dividends
How They Work
Capital Gains
Convertible Bonds
Convertible Preferred Stocks
Call Protection
Dilution Protection
Convertible Indexes
Value Line Index
Pros and Cons to Investors
Mutual Fund Specialization
Closed-End Funds 10 14
This section reflects the following topics:
Introduction
Some Closed-End Fund Facts
Historical Perspective
After World War I
Closed-End Funds Rebound
Closed-End Funds Offer More
Definition
Closed-End Fund Classifications
Attractive Features
Professional Investment Management
Diversification
Marketability
Discounts
Tracking Performance and the Discount or Premium
Trading Closed-End Funds
Potential Opportunities
Gauging Price Levels
SEC Discount Study
Gimmicks To Watch For
Pay A Premium?
The Reorganization Option
Expenses
Average Expense Ratios
Short-Term Trading
Closed-End Country Funds
REITs 11 14
This section reflects the following topics:
Introduction
The History of the REIT Industry
Organization of a REIT
REIT Shareholders
Trustees and Directors
Management
Capital Structure
REIT Investments Through Property Ownership

Property Acquisition
Property Ownership Arrangements
Management of REIT Properties
Property Sales
Property Ownership Accounting
REIT Investments Through Mortgage Lending
The Economy and Mortgage Investments
Tax Laws
Taxation of the REIT and Its Shareholders
Securities Laws
Attractive Features
Dividends
Marketability
Small Initial Purchase
Appreciation Potential
Inflation Hedge
Real Estate Ownership Made Easy
Equity REITs
Selecting a REIT
Growth Record
Property Sales Experience
Debt Levels
1980s Track Record
What To Look For
What To Avoid
Digging In
Unit Trusts..... 12 3
This section reflects the following topics:
Introduction
Insurance
Pros and Cons of Unit Ownership
Stock Market Indicators..... 13 8
This section reflects the following topics:
Dow Jones Industrial Average
Standard & Poor's 500
AMEX
NASDAQ
Value Line
Wilshire 5000
Foreign Measurements
Indicator Commentator
Rates of Return vs. Hype..... 14 6
This section reflects the following topics:
Introduction
Average vs. Compound Returns
Time vs. Dollar Weighted
Volatility
Returns Can Mask Wide Savings
Geometric vs. Arithmetic Mean
Standard Deviation
First-Order Autocorrelations
Cross Correlations
Average Return in Percent
Similar Returns, Less Risk

Historical Performance 15 17
This section reflects the following topics:
Introduction
Highlights of the Eighties
Compound Annual Rates of Return for Decades
Bonds Prosper as Rates Fall
Fifty Years of Performance
Capital Markets In Perspective
Comparing Performance
Small Stocks Versus Common Stocks
Corporate Bonds
Government Bonds
Government Bonds
Common Stocks
Junk Bonds
International Bonds
Average Annual Compounded Return
International Equity
Precious Metals
Money Markets
The Cost of Owning CDs 16 6
This section reflects the following topics:
Introduction
Conclusions
A Lifetime of Investing
The Risks of "Playing it Safe"
Retirement and Health Care
Historical Perspective
Templeton and Lynch 17 3
This section reflects the following topics:
Introduction
Templeton Interview
Principles of Security Selection
Lynch: Star Manager
Nine Cautions for Investors
Seven Step Selection Process 18 7
This section reflects the following topics:
Introduction
Stocks and Bonds
Money Managers
Mutual Funds
Seven Steps to Success
1) Investor Risk Level
2) Asset Category
3) Management
4) Performance
5) Adjusted Standard Deviation
6) Beta
7) Size
Summary
The Mutual Fund Prospectus 19 8
This section reflects the following topics:
Introduction
Synopsis

Condensed Financial Information
Portfolio Turnover Rate
General Description of the Fund
Management of the Fund
Capital Stock & Other Securities
How to Purchase Shares
How to Redeem Shares
Pending Legal Proceedings
Statement of Additional Information
Investment Objectives and Policies
Officers and Directors
Control Persons & Principal Security Holders
Investment Advisory and Other Services
Brokerage Allocation
The "Mountain"
Other Reports
Fund Brokerage Commissions
What The Fund Pays
12b-1 Fee Study
Dual Fee Structure
Mutual Fund Performance 20 10
This section reflects the following topics:
Introduction
Evaluating Historical Return
Risk-Adjusted Return
Standard Deviation To Measure Risk
Beta Coefficient to Measure Risk
Diversification: Using R-Squared
Alpha: Risk-Adjusted Return
Fixed Income Funds
Time Frame Used
Best Category Each Quarter
Good Returns, Bad Times
Calculating Compound Return
Calculating the Compound Return:
Annualizing the Return
Why Total Returns Differ
The Add Back Method
The Month End Method
The Ex-Date Method
Other Differences
Calculating Total Return
Evaluating Performance
Redefining Risk 21 7
This section reflects the following topics:
Introduction
Identifying Risk
Time
Downside-Volatility-Risk
Five Investor Personalities
Risk Adjustment May Change Rankings
Comparing Performance 22 6
This section reflects the following topics:
How Time Periods Affect Rankings

One Month's Impact on Three-Year Trailing Returns
Pros And Cons Of Uniform Periods
Conclusions
Fund Bashing
Performance Adjusted for Taxes
Ibbotson Adjusted for Taxes
Load vs. No-Load Funds 23 5
This section reflects the following topics:
Introduction
Loads in Context
Performance of Load vs. No-Load Funds
CDA Study
Performance of Load Funds vs. No-Load Funds
No. of funds Ranked Within Top 20
Johnson Charts Study
1988 Operating Cost* Per $10,000 Investment
Size vs. Performance 24 4
This section reflects the following topics:
Introduction
Performance of Equity Funds By Asset Size
Another Perspective
Industry Consolidation
Using Low Turnover Funds 25 2
This section reflects the following topics:
Introduction
Cost of Turnover
Bond Duration 26 2
This section reflects the following topics:
Introduction
Calculating Duration
Calculation of Bond Duration
Advisor's Selections 27 6
This section reflects the following topics:
Advisor Questionnaire
Growth/International Equities/Metals
Growth & Income
Balanced
Bonds
Money Market
Picking Last Year's Best
The Morningstar Study
Problems with the Study
Financial Planner Interview
Fund Philosophy
Market Timing 28 8
This section reflects the following topics:
Introduction
Moving Averages
The Cash Flow Indicator
Frequency Of Switches
The Studies
Trinity Study
Charles D. Ellis Study
William F. Sharpe Study

Chua and Woodward Study
Robert H. Jeffrey Study
Roy D. Henriksson Study
Ibbotson Study
Timing Services
Available Newsletters
Gauging the Direction of Rates
Funds May Suffer Due to Timers
Misplaced Motives
A Fool's Game
Formula Timing Plans 29 2
This section reflects the following topics:
Introduction
Constant Dollar Plans
The Constant Ratio Plan
The Variable Ratio Plan
Dollar-Cost Averaging 30 4
This section reflects the following topics:
Introduction
Example of Dollar-cost Averaging
An Alternative Approach
A "Worst Case" Example
Allocation vs. Averaging
The Cost Of Procrastination 31 2
This section reflects the following topics:
Introduction
Contribute Early
Timing Indicators 32 13
This section reflects the following topics:
Bear Market Endings
Looking For the Bottom
Stocks In A Recession
Markets In A Recession
Bears and Business Recessions
U.S. Postwar Bear Markets
Predictability
Bears And Bulls
Recession, GNP And GDP
Inflation
Staying Invested 33 6
This section reflects the following topics:
Introduction
Value of Long-Term Investing
A 20 Year Investment
A One Year Investment
The Patient Investor
Study Results
The Price of Impatience
The Cost of Not Being Fully Invested
Market Volatility
Major Stock Market Swings (1929-1987)
Dealing With Clients
Ellis Excerpts
Investment Knowledge

Systematic Withdrawals 34 3
This section reflects the following topics:
Introduction
Growth Fund Systematic Withdrawal Plan
Generic Withdrawal Table
IRA Withdrawals 35 5
This section reflects the following topics:
Introduction
Withdrawals Before 591/2
Withdrawals from 591/2 to 701/2
The Post 701/2 Years
Calculating Withdrawals
How Long Will The Money Last?
IRAs After Tax Reform 36 3
This section reflects the following topics:
Introduction
Example of IRA Deductibility
IRA Investment Considerations
Taxes And Distributions 37 9
This section reflects the following topics:
Introduction
Taxes Upon Redemptions of Shares
Deducting the Sales Commission
Four Methods of Calculating Gains
Summary Of Methods
Tax Methods for Redemption of Fund Shares
All About Your Form 1099-DIV
Example of Capital Gains
A Simplified Approach to Capital Gain
Late Distributions
TIN and Backup Withholding
Form 1099-B
Form 1099-R
Form W-2P
Form 1042S
Form 5498
IRS-Required Mailings
January 31
March 15
March 31
May 31
June 19
August 15
October 16
Free IRS Publications
Tax Strategies 38 4
This section reflects the following topics:
Introduction
Taxes are Going Up
The Economy and Deficit Reduction
The Major Changes for 1991
Minimizing Tax Liability
1993 Federal Tax Rates
Standard Deductions

Personal and Dependency Exemptions
Itemized Deduction Phase-Out
Federal Income Tax on Capital Gains
Retirement Calculator 39 8
This section reflects the following topics:
Introduction
Step 1: Retirement Resources
Personal Savings and Investments
Estimate Income at Retirement
Total Retirement Resources
Step 2: What is Needed to Retire
Step 3: Retirement Income Gap
Step 4: If A Gap is Discovered
Retirement Calculator Worksheet
Determining College Costs 40 3
This section reflects the following topics:
Introduction
Step 1: Set Your Target
Step 2: Monthly Investment Needed
Step 3: Minimizing Taxes
Step 4: The Right Investment
Taking Title 41 10
This section reflects the following topics:
Introduction
Community Property
Presumptions
Income
Ownership And Control
Dissolution of the Community
The Tax Rules
Changing Domicile
Quasi-Community Property
Marital Agreements
California
Tenancy in Common
JTWROS
Tenancy by the Entirety
Taxation of Joint Property
Joint Tenancy Between Nonspouses
Gift Taxation
Estate Taxation
Income Tax Basis
Joint Tenancy Between Spouses
Income Tax Basis
State Taxation
Simultaneous Death
Nontax Aspects of Joint Property
Planning Considerations
Mutual Funds In Trusts
Gifts to Minors
Introduction to Annuities 42 6
This section reflects the following topics:
Advantages of Annuities
Professional Management

Diversification
Separate Accounts
Switching Privileges
Guaranteed Death Benefit
Parties to an Annuity
The Insurer
The Contract Owner
The Annuitant
The Beneficiary
One Person: Multiple Titles
The Annuity Contract
The Accumulation Period
Single-Premium Deferred Annuity
Flexible-Premium Deferred Annuity
The Payout Period
The Different Types of Annuities 43 5
This section reflects the following topics:
Immediate Annuities
Comparing Income Streams
Deferred Annuities
Fixed-Rate Annuities: Guarantees
Return of Your Principal
Interest
Income
Death Benefit
Variable Annuities: Flexibility
Investment Options
Hybrid Annuities: Guarantees and Flexibility
Annuitization 44 7
This section reflects the following topics:
Introduction
Size of Payments
Insurer Competitiveness
Current Interest Rates
Principal to Be Distributed
Period of Annuitization
Tax-Advantaged Disbursements
The Exclusion Ratio
Annuitization and Tax-Free Income
Advantages of Annuities 45 10
This section reflects the following topics:
Introduction
Safety
Reserve Requirements
Financial Clout
Rating Services
Tax-Deferred Growth
Tax-Free Exchanges
Performance
Fixed-Rate Annuities
Variable Annuities
Professional Management
Commissions
Withdrawal Options

Guaranteed Death Benefit
Avoidance of Probate
Disadvantages of Annuities 46 7
This section reflects the following topics:
IRS Penalties
Income Taxes
Insurance Company Penalties
Mortality and Expense Fee
Annual Contract Maintenance Charge
Commonly Asked Questions
Fixed-Rate Annuities 47 6
This section reflects the following topics:
Introduction
The Guarantees
Free Bail-Out
Adding to Your Investment Holdings
A Secured Future
The CD/Annuity
Screening Fixed-Rate Annuities
Commonly Asked Questions
Variable Annuities 48 5
This section reflects the following topics:
Why Choose a Variable Annuity?
Investment Options
Aggressive Growth
Growth
Growth and Income
International Stocks
Balanced (Total Return)
Corporate, Government and High-Yield Bonds
Global and International Bonds
Specialty Portfolios
Monitoring Performance
Barron's and The Wall Street Journal
The VARDS Report
Lipper Analytical
No Commingling of Assets
Dollar-Cost Averaging
Systematic Withdrawals
Variable Annuity Subaccounts
Split Annuities 49 2
This section reflects the following topics:
The Best of Both Worlds
How a Split Annuity Works
An Alternative Approach
Who Should Use Split Annuities?
Commonly Asked Questions
Annuities Versus Mutual Funds 50 6
This section reflects the following topics:
Common Features
Differences
Commissions
Taxation
Performance

Performance Compared to Market Indexes
Morningstar Study
Withdrawal Options
Investment Choices
Safety
Commonly Asked Questions
Evaluating Insurance Companies 51 10
This section reflects the following topics:
Introduction
Company Rating
Net Yield on Invested Assets
Claims-Paying Ability
Annual Statements
Investment Portfolio
Asset Distribution
Past Insolvencies
A 1990 Study by the Life Insurance Industry
American Council of Life Insurance
Guaranty Laws
Maximum Protections Allowed for Each Insured Life, by State
Do Your Homework
The Company's Size
The Company's Resident State
The Company's Major Line of Business
Junk Bond Holdings
The NAIC's Watch List of Companies
Commonly Asked Questions
The Rating Game 52 10
This section reflects the following topics:
Faulting the Rating Services
Classifying the Rating Services
A. M. Best Company
Standard & Poor's
Moody's
Duff & Phelps
Weiss Research, Inc.
Summary of Ratings
Some Final Thoughts
Sources of Additional Information
A.M. Best
Lipper
Morningstar
S & P Stock Guide
VARDS
Commonly Asked Questions
Group Plan Annuities 53 7
This section reflects the following topics:
Tax-Sheltered Annuities
Individual and Group Contracts
Variable Funds
Tax Benefits
The Accumulation Period
The Payout Period
Methods of Crediting Interest

Two-Tier Interest Crediting
Current Trends in Crediting
Variable Options
Contributions
Retirement Options
Loans
Loan Protection
Death Benefits
TSA Expenses
Commonly Asked Questions
Annuities in the Financial Plan 54 4
This section reflects the following topics:
Growth or Income?
Risk Level
Time Horizon
Blending Investments
Tax Bracket
How Much Should You Invest in Annuities?
Annuity vs. IRA
Commonly Asked Questions
Survivorship Tables 55 7
This section reflects the following topics:
Survivorship Cases

Modern Portfolio Theory Binder Outline.....Chapter Pages

Diversification.....1 4

This section reflects the following topics:

Diversification Helps Manage Risk

Diversification and Consistency

The Power of Diversification

Why It Pays to Reinvest

Asset Allocation.....2 7

This section reflects the following topics:

Definition

Importance of Asset Allocation

Approaches To Asset Allocation

Strategic Asset Allocation

Tactical Asset Allocation

Sector Rotation

Market Timing

Dynamic Asset Allocation

Portfolio Insurance

Active Versus Passive Management

The Case For Passive Management

The Case For Active Management

Security Analysis.....3 4

This section reflects the following topics:

Introduction

Modern Portfolio Theory

Efficient Markets Theory

Stock Selection

Fundamental Analysis

Technical Analysis

Modern Portfolio Theory.....4 14

This section reflects the following topics:

Introduction

The Need For Asset Allocation

How To Measure Possible Outcomes

Tradeoff Between Risk And Return

Forecasting Future Performance

Historical Returns

The Normal Distribution

Portfolio Risk And Return

Viewing A Portfolio's Risk & Return

Measuring Portfolio Standard Deviation

Correlation Coefficient

Cross-correlation Matrix for Mutual Fund Categories (1983-1992)

Portfolio Risk

Portfolio Optimization

Efficient Frontier

Optimizing The Portfolio

Optimizing Managers Versus Benchmarks

Symmetrical Versus Asymmetrical Risk Distribution

Why MPT Hasn't Been More Widely Used

Structuring A Portfolio.....5 7

This section reflects the following topics:
Diversification
The Correlation Matrix
Domestic Stocks
Foreign Stocks
Correlation Matrix of Investment Categories
Bonds
Cash Equivalents
Real Assets
Discussion
Selecting Assets For A Portfolio
Other Factors
Time Horizon
Existing Portfolio
Goals and Objectives
Risk Tolerance Level
Presenting MPT To Clients 6 31
This section reflects the following topics:
Introduction
Five Investment Fundamentals
Short-Term Risk/Return Trade-off
Long-Term Risk/Return Trade-off
Benefits of Diversification
Diversification and the Depression
Diversification and the Crash of 1987
Benefits of Long Term Compounding
Different Levels of Marketability
Deferring Taxes
65 Years of Investment Performance
Average Annual Returns
The Five Major Asset Classes
T-Bills vs. Inflation ....
Four Major Types of Bonds
U.S. Government & Agency.
Municipal Bonds.
Corporate Bonds.
Mortgage-Backed Bonds.
The Worst Years for U.S. Bonds
The Eight Worst Years for U.S. Bonds
Seven Types of Bond Mutual Funds
Five Types of Common Stocks
Cyclical.
Blue Chip.
Growth.
Small Emerging Growth.
International.
203 Years of U.S. Common Stocks
203 Years of U.S. Common Stocks
The Worst Years for Stocks
The Eight Worst Years for Stocks
Lengthen Period, Reduce Risk
More Stocks, Less Risk
Five Types of Common Stock Funds
Real Assets

Real Estate
Art and Precious Metals
International Securities
Asset Allocation
Client Suitability 7 9
This section reflects the following topics:
Introduction
Legal Suitability
Financial Suitability
Liquidity
Variability
Capital Loss
Psychological Suitability
Asset Listing
Portfolio Risk Tolerance
More Ways to Assess Psychological Suitability
Fiduciary Standards 8 8
This section reflects the following topics:
Introduction
Prudent Procedure
Fiduciary Liability
Protecting Your ERISA Clients
Planning Process
Asset Classes
Asset Constraint Worksheet
Economic Assumptions
Investment Policy Statement
Implementation
Choosing A Management Strategy
Choosing A Manager
Monitoring Performance
Rate of Return
Performance Relative to Benchmarks
Performance Relative to Similar Funds
Performance Relative to Policy
Summary
Testing Risk Tolerance 9 11
This section reflects the following topics:
Studies on Risk Assessment
Effect of Experience
AMA Risk Profile Test
INSTRUCTIONS:
An Educational Risk Test
Portfolio Allocation Scoring System
Personal Risk Test
Selecting Funds 10 8
This section reflects the following topics:
Introduction
Analyzing Returns
Cash Position
Expense Ratios
The Cost of Mutual Fund Investing (over a 3-year period)
Track Record
Fund Management

Peter Lynch And The Fidelity Magellan Fund
Funds Without An Identifiable Portfolio Manager
Index Funds
Using Index Funds With MPT
Index Funds
Asset Allocation Funds
Why Didn't Asset Allocation Funds Perform Better?
Rebalancing The Portfolio 11 10
This section reflects the following topics:
Introduction
Approaches To Reevaluation
Testing The Merit of Rebalancing
Guidelines For Rebalancing Passive Investment Portfolios
Case Study
Conclusions
Compensation
A Short Holding Period Study
Asset Allocation Sensitivity 12 12
This section reflects the following topics:
Introduction
Sensitivity to Expected Returns
Viva Las Vegas
Limited Partnership Reality
Review Individual Asset Statistics
The 5/25 Rule
Sensitivity Analysis
Suboptimal Portfolios
Aggressive Portfolio Example
Conservative Portfolio Example

CFS Course
Approvals

State	*# of hours*	*valid thru*
AR	20	
CA	12	
CO	60	
FL	23	
GA	23	
IA	12	
ID	8	1995
IL	25 (MAX. ALLOWED)	
IN	26	
KS	3	
KY	12 (MAX. ALLOWED)	
LA	16 (MAX.ALLOWED)	
MA	35	
MD	6	
MI	15	
MO	3	until dept. notifies us
MS	60	
NC	3	
NE	24 (MAX.ALLOWED)	
NM	20 (ONLY 15 REQ'D)	9/30/99
OR	12	2/28/95
RI	15	12/31/93
TX	15 (MAX.ALLOWED)	
UT	8	
WA	4	4/30/94
WV	12 (MAX.ALLOWED)	
WY	5	6/18/94

CFS COURSE
Estimated Time Breakdown

	Pages	Minutes	50-minute Hours
Selected Readings	385	1155	23.1
Modern Portfolio Theory	127	381	7.6
Investor Relations[1]	122	366	7.3
Study Guide		1982	39.6
PLATO Final Exam		120	2.4
Sub-Total		3884	77.7
Sub-Total without Investor Relations		3518	70.4
Divided by 2 (Self-Study) =		1759	35.2
PLATO Final Exam[2]		120	2.4
TOTAL		1879	37.6

[1] no credit requested

[2] not self-study. Exam delivered at PLATO Testing Centers (Classroom time)

Study Guide Breakdown

Assignment	*Concepts for Review*	*Questions*	*Minutes*
#1	30	8	170
#2	34	7	172
#3	9	3	57
#4	31	4	133
#5	17	3	[illegible]
#6	4	2	[illegible]
#7	20	4	[illegible]
#8	25	5	[illegible]
#9	33	8	[illegible]
#10	3	-	[illegible]
#11	30	5	140
#12	23	4	109
Subtotal			*1307*
Exercise A		25	75
Exercise B		30	120
Exercise C		60	480
Subtotal			*675*
TOTAL			1982

Exhibit 3

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

State Farm Insurance

V292 Health Products Video Classroom

This course addresses product knowledge of health insurance products and concepts. The course is 3 hours of videotape and workbook instruction with exercises and quizzes designed to provide general knowledge of basic hospital-surgical, hospital income, short term hospital surgical, guaranteed and optionally renewable disability income, mortgage disability income, decreasing term disability and individual credit disability insurance. This is an on-going offering.

V492 Fire Products Video Classroom

This course addresses product knowledge of fire insurance products. The course is a 1 1/4 hour of videotape and workbook instruction with exercises and quizzes designed to provide specific knowledge of fire policy type and State Farm fire coverage products. This is an on-going offering.

V192 Life Products Video Classroom

This course addresses product knowledge of life insurance products and concepts. The course is 3 hours of videotape and workbook instruction with exercises and quizzes designed to provide general knowledge of life insurance and State Farm life insurance products. This is an on-going offering.

C294 Commercial Bits and Pieces

This course addresses product knowledge of various business and commercial insurance products and concepts. The course is 3 hours of classroom instruction designed to provide specific information on types of commercial insurance products available and the need for and use of each. This is an on-going offering.

State Farm Insurance continued

C194 Basic Commercial Underwriting

This course addresses product knowledge of commercial underwriting. The course is 3 hours of classroom instruction with 2 1/2 hours of lecture on binding, records management, assessing property risks, hazards and deficiencies, and necessary liability coverages. This is an on-going offering.

L494 Advance Annuity Concepts and Uses

This course addresses product knowledge of annuities. The course is 3 hours of classroom instruction, with 2 hours of lecture and video presentations on annuities, qualified and non-qualified plans, taxation and uses of annuities followed by case study discussions. This is an on-going offering.

Associated Aviation Underwriters

The Corporate Aviation Insurance Policy

This course addresses product knowledge and marketing capability of aviation insurance. The course is 2 hours of classroom instruction, with 1 1/2 hours of lecture on coverages for aircraft, liability coverage and exclusions, physical loss damage and conditions. The course is available only on request.

Introduction to Aviation Insurance

This course addresses product knowledge of aviation insurance. The course is 2 hours of classroom instruction on the general background and history of aviation and the insurance needs of the industry. This course is only available on request.

American Bankers Insurance Group

Write Your Own Flood Insurance

This course addresses product knowledge of the National Flood Insurance Program. The course is 3 3/4 hours of classroom instruction on the National Flood Insurance Program and federal application and program requirements. This course will be offered six times in 1994.

Western Reserve Life Assurance Co. of Ohio

Business and Estate Planning Seminar

This course addresses product knowledge of business and estate products. The course is 19 hours of classroom instruction that provides a general background of legal and tax principles in business insurance and estate planning. The course is only available to representatives of Western Reserve Life Assurance Co. of Ohio. The first offering of this course was March 7-10 in Largo, Florida.

The Institute of Certified Fund Specialists

Certified Fund Specialist Course

This course addresses product knowledge and marketing capability of a large variety of investment products and concepts. This course is 59 hours of correspondence instruction with a controlled monitored examination. The course is designed to provide an in depth knowledge of investment practices, procedures, policies, fund types, annuities and other investment methods. This course is offered on an on-going basis.

National Association of Professional Insurance Agents

The following courses are part of the Certified Professional Service Representative certification program. All of these courses are presented through classroom instruction.

Personal Lines I
Personal Lines II
Personal Lines III
Commercial Lines I
Commercial Lines II
Commercial Lines III
Agency Operations I
Agency Operations II
Agency Operations III

New York Life Insurance Co.- New York

Focus on..Wealth Transfer

This course addresses product knowledge of estate planning products. The course is 3 hours of classroom instruction. The course addresses specific topics in estate planning, financial analysis and estate tax considerations. The first offering of this course is scheduled March 21, 1994 in Orlando, Florida.

Dairyland Insurance Company

Nonstandard Auto and Cycle Insurance and Economics National and Local

This course addresses product knowledge of auto and motorcycle underwriting and coverages. The course is 3 hours of classroom instruction, with 1 hour of agent training and 2 hours of general instruction on auto and motorcycle underwriting and coverage. The first offering of this course is scheduled April 19, 1994 in Missoula.

New York Life - Montana

Agency Kick-off Meeting

This course addresses product knowledge and ethics. The course is 5 hours of classroom instruction, with 4 hours of agent training and 1 hour of continuing education on ethics, product overview and regulation. This course was offered January 29, 1994 in Billings.

Insurance Business Consultants

Professional Liability Insurance Seminar

This course addresses product knowledge of professional liability. The course is 12 hours of classroom instruction on in-depth professional liability issues including: general liability, reporting periods, indemnification, errors and omissions coverage and professions needing specialized liability coverage. This course will be offered April 15-16, 1994 in Evanston, Illinois.

Allstate Insurance Company

Fundamentals of Estate Planning

This course addresses product knowledge and marketing capability of estate planning. The course is 4 hours of classroom instruction on general estate planning topics, including: wills, probate, trusts, power of attorney, federal estate taxes and life insurance in estate planning. This course was offered January 20, 1994 in Missoula.

Western Montana Life Underwriters Association

Montana Limited Liability Companies and their Tax Considerations

This course addresses marketing capability and product knowledge. The course is 2 hours of classroom instruction on general concepts of limited liability companies, their organization, benefits and tax classification. This course was offered February 21, 1994 in Missoula.

Joint Survivor Life and the Irrevocable Trust

This course addresses product knowledge. The course is 2 hours of classroom instruction on general concepts of joint survivor life insurance and irrevocable trusts. This course was offered February 21, 1994 in Missoula.

Private Pension

This course addresses product knowledge of private pension policy types. The course is 2 hours of classroom instruction on general concepts of private pension plans and policy types. This course was offered February 21, 1994 in Missoula.

International Foundation of Employee Benefit Plans

The following courses are part of the Certified Employee Benefit Specialist certification program. All of the courses are presented through correspondence instruction as a joint program of the Wharton School, University of Pennsylvania.

CEBS Course I -- Employee Benefit Concepts and Medical Care Benefits
CEBS Course II -- Life, Disability Income and Other Welfare Benefit Plans: Design and Administration
CEBS Course III -- Retirement Plans: Basic Features and Defined Contribution Approaches
CEBS Course IV -- Retirement Plans: Defined Benefit Approaches and Plan Administration
CEBS Course V -- Contemporary Legal Environment of Employee Benefit Plans
CEBS Course VI -- Accounting and Finance
CEBS Course VII -- Asset Management
CEBS Course VIII -- Human Resources and Compensation Management
CEBS Course IX -- Employee Benefit Plans and the Economy
CEBS Course X -- Contemporary Benefit Issues and Administration

Xerox Financial Services Life Insurance Company

New Ideas in Variable Annuities

This course addresses product knowledge of variable annuities. The course is 2 hours of classroom instruction on basic concepts of new variable annuity plans. Course offer will be announced.

The Mutual Group Life Insurance Company

Knowledge is the Producers Power

This course addresses product knowledge and marketing capability. The course is 3 hours of classroom instruction on specific knowledge of the Omnibus Revenue Reconciliation Act of 1993, evaluating an agent carrier and non-qualified plans. The course was offered March 15, 1994 in Boise, Idaho.

Estate Planning and Transfer Strategies

This course addresses product knowledge of estate planning. The course is 2 hours of classroom instruction on common estate planning techniques. The course was offered March 15, 1994 in Boise, Idaho.

Exhibit 4

March 17, 1994

Mr. Ron Ashabraner
Legislative Liason
State Farm Insurance

Dear Ron:

Thank you for agreeing to take these comments to the CE committee for redress. I would like to thank them for the opportunity to express my concern regarding the direction of recent events that have taken place regarding continuing education programs.

On February 14th, I heard a "rumor" from the field that Montana's continuing education committee was unable to meet in January and that it was unlikely that classes would get approved until the end of March. This posed some degree of concern to me as we had scheduled classes in two different cities in March. I placed a call to Mary Arnold, who did not return my call until the following day.

At that point, I informed her of the rumor in question and was told by her that the rumor was "not true" and that the committee had already met and was meeting again on the 22nd of February. I advised her that we had scheduled the two training sessions in March and I wanted to know if I needed to reschedule these sessions because of the potential delay. I was told "all your classes have been approved except for two of your classes that are pretraining classes for your agency schools. I am looking at those because they may have pre-licensing training in them." I indicated that I was not concerned about those two classes as much as the programs we had labelled with our alpha coding because they wer our Traveling Classroom sessions. Mary assured me at that point that the classes had been approved and to go ahead and "hold your classes and just tell your agents you will issue the certificates later when you get your letter telling you how many hours they were approved for."

Three weeks later, we had still not heard anything and my staff assistant again called Mary. She was told our classes had been approved at the recent meeting and that we would be getting a letter indicating the hours involved.

On March 16th, Ron, you sent me a copy of the fax regarding the meeting being held today. After talking to Mark Nelson, and indicating we had received no communication from his area regarding our classes, he faxed us a copy of a letter sent to to us on February(we have yet to receive the original). I was particularly concerned that in fact, not all our classes had

been approved as we were led to believe in our two different phone calls to the office. One of the classes conducted at the earlier session in Great Falls has not been approved yet. I am disturbed that we called Mary over a month in advance of the seminars in question because of our concern over the timing of course approval. I am concerned we were were told courses had been approved, when in fact, they were not approved. I am upset that State Farm and its agents made a "good faith reliance" on erroneous information by the Insurance Commissioner's office to hold a seminar that had yet to be approved at that point and still has not been approved to this date.

Unless the committee is reviewing the final "sixty" courses today, it would appear the original rumor in fact expressed to the Insurance Commissioner's Office is quite true in reality. Under the administrative rules established by the committee and legislation, the state requires 60 days to review courses for approval. Our courses were in the hands of the Insurance Commissioner's Office before December 31, 1993. Clearly, we are well beyond the 60 day review period. At this junction, I would appreciate knowing where the state is on final approval of all CE courses that have been filed with the state and are over this 60 day period.

Secondly, I am surprised to learn that of the 19 classes I have received notification of, only 4 classes received the hours requested. A considerable percentage received less than 1/3 of the requested hours. It is customary for the reviewing state to indicate why a class was not fully accredited for the hours requested. No such documentation arrived with the letter in question.

Without such documentation as to reduction of hours, the implication is that the decision is an arbitrary one. When such a reduction takes place, what is the review process? Who reviewed the course and what was the logic used in establishing the hours that were granted? Can the provider refile the course, and if so, how are they to make the necessary changes if they have no idea why the course was reduced nor can anyone who reviewed it explain the reason? It would seem there is room for further discussion on this issue.

Secondly, I am curious as to the reasoning by the incremental granting of hours, i.e., .5 hours or 2.5 hours. If the minimum standard of credit is one credit for 50 minutes of instruction, how does the committee arrive at this percentile granting of credit below the minimum credit established by the state? There is no provision under the administrative rules or legislative information I have that indicate 1/2 credit hours were approved. I would appreciate receiving the documents reflecting this information that I apparently am missing at this point.

With the recent discovery of so many classes with reduced hours, I am most curious why we are asked to submit with our course filings, the names of other states that have approved our classes and the hours granted. Yes, I understand the state requires this, but clearly, at least in our case, this information was never referred to as any guideline. I can not speak for the other providers, but I have asked our legislative liason, Ron Ashabraner to request a complete listing of approved classes, by vendor, illustrating the hours granted for classes. I am requesting the outlines as well, as perhaps we can learn what criteria is being used to evaluate these programs.

I cannot explain to anyone at this point how programs that we have approved for 3 hours in three other states only merit one hour of credit in Montana. Clearly, there is some other evaluative criteria being used here than the other states are applying to our programs. Hopefully, the committee will be able to share this thought process with Ron so I will be able to submit classes in a format acceptable to the committee and receive the credit hours we are requesting. My desire is to work with the committee in an effective way to eliminate these problems.

I would appreciate the opportunity to visit with any or all of the CE committee to be able to get an insight into the evaluative process being used. This would help me immeasurably in providing the committee members with the information they need in the format they require to avoid the current situation we find ourselves in at this meeting. I am more than happy to sit in at any of the meetings being held to learn from them if this would be agreeable.

I would like to thank the committee for the opportunity to express my concerns. You have a difficult, and often thankless job ahead of you. It is my desire to work in close concert with you in assisting State Farm's agents in meeting their continuing education hours. I appreciate any help you are willing to provide me in educating me to your needs for our program submissions. I wish the committee the best of luck and again, thank you all for providing me the opportunity to address you.

David L. Jones
Agency Training Coordinator
State Farm Insurance

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

February 22, 1994 Meeting
Sam W. Mitchell Building -- Room 270

Call to order	2:00
Summary of courses for review and staff recommendations	2:15
Discussion of courses by council	2:30
Advisory council recommendations to the Commissioner	2:55
Adjourn	3:00
Administrative Details - Next meeting	3:00

March 18 - 2 pm, phone conference and
March 29 - 1 pm, Helena

February 28, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes

February 22, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The meeting of the Insurance Continuing Education Advisory Council by teleconference was called to order in the Commissioners office, Room 270 of the Sam Mitchell Building at 2:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
John Bebee, Unaffiliated Insurance Agent Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member
Robin Boon, Independent Insurance Agents of Montana Member
Ted Clark, Public Member

Staff Present

Mary Arnold, Continuing Education Program
Tammy Peterson, Recording Secretary

A list of other parties present is attached as Exhibit 1.

Nelson asked if any member had problems with any of the course review summaries on the first review, attached as Exhibit 2. Boon said she understood the institute and CIC courses were to be included there. Arnold said the submissions are being processed in the order in which they were submitted. The courses may be taken, but until a course is submitted and approved, students are not given credit hours.

Bebee moved that the courses on Exhibit 2, starting with Insurance Business Consultants and ending with North Star Bank

Services, be approved. Leenknecht seconded the motion. Clark asked if someone who attends the Life Underwriter Training Council conference will receive continuing education credit. Arnold replied yes. Motion carried.

Discussion started concerning the second submission summaries, attached as Exhibit 3. Boon asked about approving B194-Business Management Workshop. Boon said the continuing education rules state management courses might be applicable but receive reduced credit hours. Nelson affirmed this. There was discussion concerning assignment of credit hours. There was also some discussion regarding State Farm course offerings and whether the courses were generic or teaching State Farm's products.

Arnold asked if the Council was in agreement that courses that offer general information on an insurance related topic deserve continuing education credit. All were in agreement. Arnold said these State Farm courses are being recommended because there is some part of each course that offers a basis for that approval. The courses contain useful information to the individuals taking the courses.

Nelson brought up the need for an appeal process. There is nothing in the rules about this. Clark said the staff was capable of handling this.

Arnold said she could send the Council members a complete copy of a course submission package so council members could better understand the course review process. The Council felt this was a good idea.

Nelson asked for any more questions. Bebee made a motion to approve the State Farm courses. Bolt seconded the motion. Motion passed. These will be taken to the Commissioner, recommended for approval.

Bolt asked what kind of revenues the course submissions were generating. Arnold said that there were 282 courses receipted, for a total of $15,000.00.

Arnold told the Council that new licenses are being printed with the returned information from the license audit reports. A list of course providers that have approved courses, the name of the contact person and the phone number will be included with the license mailing.

The meeting was adjourned at 3:15 p.m.

Exhibit 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - February 22, 1994

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Vicky Anderson	IIAM	
Ken Hassler	MALU	
DarLynn Nichols	MALU	

Please print

Exhibit 2

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

Insurance Business Consultants

General Liability--Umbrella and Excess Liability

This course addresses product knowledge of liability insurance. The course is 12 hours of classroom instruction designed for individuals with limited knowledge of general liability, umbrella and excess liability insurance. The course is designed to provide a solid background in liability insurance issues. This course is scheduled for March 13-14, 1994 in Englewood, Colorado.

Non-admitted Carriers--Regulations and Problems

This course addresses product knowledge of and ethics in the use of non-admitted insurance carriers. The course is 4 hours of classroom instruction designed to provide specific information on the limitations of non-admitted company insurance products and new laws designed to regulate this portion of the insurance industry. The first offering met February 19, 1994 in Dana Point, California. The second offering is May 15, 1994 in Orlando, Florida.

continental General Insurance Company

Life and Health Insurance Review

This course addresses marketing capability of the licensee in life and health insurance and product knowledge of company-specific policies. The course is 5 hours of classroom instruction. Life and health insurance issues comprise 3 hours of the course. The first offering of the course is scheduled for April 19, 1994.

Estate Financial Services, Inc.

Basic Techniques in Estate Planning

This course addresses product knowledge of estate planning methods. The course is 12 hours of classroom instruction that designed to provide specific information on Montana estate laws and practices, property rights and intestacy. Insurance issues comprise 3 hours of the course. The first offering of the course is scheduled April 29-30, 1994 in Missoula.

State Farm Insurance

Information on these 44 courses will be faxed separately.

Life Underwriter Training Council

The following courses are part of the Life Underwriter Training Council certification program. All of the courses listed are presented through classroom instruction.

Personal Insurance
Business Insurance
Disability Insurance
Multiline Skills Course
Fundamentals of Financial Services
Professional Growth Course
Personal Estate and Retirement Planning
Advanced Business Planning
Foundations of Estate Planning
S-Corporations: Operations and Estate Planning Techniques
Total Insurance Planning
Permanent Life Insurance Versus Other Savings
Single Parent Planning
Retirement Planning
Legislative Bulletin: OBRA '93
Managing Client Relationships
Special Family Needs
Dynamics of Group Insurance
Advanced Concepts
Advanced Concepts II
Health Care Reform
Disability Income Seminar
Estate Planning for the Baby Boom Generation
LAMP '94--Life Agency Management Program, Annual Conference, New Orleans, Louisiana

Life Underwriter Training Council continued

AALU 1994 Annual Meeting--Association for Advanced Life Underwriting 37th Meeting, Washington, D.C.
The 25 Million Dollar International Forum 1994--Annual Meeting, Scottsdale, Arizona
AIHA (Association of Health Insurance Agents) Long Term Care Project
Agency Management Training Council

Educational Resources

Property Casualty Seminar

This course addresses product knowledge in a variety of property insurance areas, including: personal automobile, personal umbrella, commercial property, commercial liability and changes in North Dakota laws. The course is 10 hours of classroom instruction. The offering was January 20-21, 1994 in Williston, North Dakota.

The American College

The following courses are part of the Certified Life Underwriter and Chartered Financial Consultant certification programs. All of the courses listed are presented through self-study correspondence instruction with a comprehensive examination.

CE 103-The Financial Services Professional's Guide to the State of the Art
CE 150-Insurance and Financial Planning for the Older Client
CE 151-Managing Sales Professionals
CE 110-Choosing the Best Qualified Retirement Plan
CE 111-Wealth Accumulation Planning and the Role of Insurance
CE 112-Social Security
CE 113-Introduction to Estate and Gift Tax Planning
CE 114-Introduction to Retirement Planning
CE 115-Disability Income Insurance
CE 116-The Use of Life Insurance in Estate Planning
CE 117-Federal Gift Tax
CE 118-Nonqualified Deferred-Compensation Plans
CE 119-The Valuation of a Closely Held Business
CE 120-Charitable Giving as an Estate Planning Technique
GS 803-Financial Statement Analysis
GS 805-Managing the Financial Services Enterprise
GS 810-Financial Institutions
GS 811-Security Analysis and Portfolio Management
HS 315-Property and Liability Insurance
HS 320-Fundamentals of Financial Planning
HS 321-Income Taxation

The American College continued

HS 322-The Financial System in the Economy
HS 323-Individual Life and Health Insurance
HS 325-Life Insurance Law
HS 325-Group Benefits
HS 326-Planning for Retirement Needs
HS 328-Investments
HS 329-Wealth Accumulation Planning
HS 330-Fundamentals of Estate Planning I
HS 331-Planning for Business Owners and Professionals
HS 332-Financial Planning Applications
HS 334-Fundamentals of Estate Planning II
HS 336-Financial Decision Making at Retirement
HS 337-Business Taxation and Planning
GS 812-Business Valuation
GS 814-Advanced Pension and Retirement Planning I
GS 815-Advanced Estate Planning I
GS 816-Advanced Estate Planning II
GS 817-Personal Tax Planning
GS 821-Professional and Organizational Behavior
GS 822-Human Resource Management
GS 823-Marketing Management of Services
GS 824-Decision Making in Financial Services
GS 825-Strategic Management Planning Applications
GS 831-Ethics and Human Values
GS 841- Professional Self Management
GS 842-Executive Compensation
GS 843-Advanced Pension and Retirement Planning II
GS 845-Business Tax Planning
CE 201-Meeting the Need for Long-Term Care
CE 202-An Introduction to Charitable Giving: Tax and Insurance Applications
CE 203-Investment Strategies Over the Life Cycle
CE 204-Choosing a Retirement Plan for the Business and Business Owner
CE 205-Planning for Retirement Distributions from Qualified Plans and IRAs
CE 206-Nonqualified Deferred Compensation Plans
CE 206-Estate Planning for the Owner of a Family Business
CE 208-Ethical Decisions in Life Insurance
CE 209-Cafeteria Plans: Concepts and Design
CE 210-Age Weighted Profit Sharing Plans

The American College continued

The following listings refer to continuing education quizzes that appear in the American Society of CLU and ChFC journal six times a year. Each quiz test a different insurance topic. The quiz must be submitted to the American College for grading prior to the publication of the next journal issue.

Journal Quiz - March 1994
Journal Quiz - May 1994
Journal Quiz - July 1994
Journal Quiz - September 1994
Journal Quiz - November 1994

Connecticut Mutual Life Insurance Company

Basic Taxation, Ethics and Business Security

This course addresses product knowledge and ethics for business taxation and business security planning. The course is 37 hours of classroom instruction over 20 weeks, that includes: ethics principles, key employee insurance and business continuation insurance issues. The course offering begins April 5, 1994.

Personal Security Planning

This course addresses product knowledge and marketing capability for specific personal security planning product-types. The course is 52 hours of classroom instruction over 29 weeks that includes: split dollar concepts, tax considerations of various aspects of personal security planning and estate planning strategies. The course offering begins September 6, 1994.

Company Security Planning

This course addresses basic product knowledge and marketing capability for general company security planning. The course is 24 ½ hours of classroom instruction over 13 weeks, that includes: group term life insurance, group term rates, retirement planning, qualified plans IRAs and SEPs and marketing qualified plans. The course offering begins June 8, 1994.

Northwestern Mutual Life Insurance Company

Advanced Planning Seminar

This seminar addresses product knowledge and marketing capability on advanced planning issues. The course is 11 hours of classroom lecture, that covers: estate taxes, estate planning case studies, qualified plans, deferred compensation, pass through entity planning, family business transfer, and annuities. The first course offering after course submission was February 2-3, 1994 in Grand Rapids, Michigan.

Career School

This seminar addresses product knowledge and marketing capability on life and health insurance topics. The course is a 2 week session with 12 hours of classroom lecture, that includes: federal income taxation, disability income, business insurance, fringe benefit planning, pensions and annuities. The course will be offered September 13-23,1994.

Northstar Bank Services

Understanding Annuities with Emphasis on Distribution through Financial Institutions

This seminar addresses product knowledge of life and retirement products. The course is 8½ hours of classroom lecture, that includes: annuities, Montana insurance licensing and law issues, insurance company rating information and annuity sales. The first course offering is March 31, 1994.

Exhibit 3

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

State Farm Insurance

L394-Universal Life

This course addresses product knowledge for universal life insurance. The course is 3 hours of classroom instruction, that includes a review of State Farm Universal Life products and ratebook, tax treatment of endowment contracts and a game show format universal life quiz.

L294-Estate Analysis and Second Die Policy

This course addresses product knowledge of estate products. The course is 3 hours of classroom instruction, that includes spousal estates, estate transfers and insurance planning for estates.

L194-Building Blocks for Life

This course addresses product knowledge and marketing capability of life insurance products. The course is 3 hours of classroom instruction, that includes 1994 State Farm life insurance product changes, application completion and various underwriting tools (i.e. blood profile, urinalysis, motor vehicle records).

B194-Business Management Workshop

The course addresses management of an agent's office. The course is 3 hours of classroom instruction, that includes general information on business management techniques, record management, budgeting and budget analysis.

F394-Handling Crime Loss

The course addresses management. The course is 3 hours of classroom instruction, including use of the State Farm Theft Kit, filing loss reports, handling claims and State Farm assistance programs and offices.

C494-Miscellaneous Program, Monoline and Commercial Changes

The courses addresses product knowledge for a variety of commercial insurance products. The course is 3 hours of classroom instruction, that includes presentations on specialized categories of State Farm commercial insurance, such as mercantile risks, manufacturers service business, office risk and schools.

V592-Homeowners Video Classroom

The course addresses product knowledge of homeowners insurance. The course is 1 hour of video tape instruction, that includes dwelling and personal insurance coverages, losses, liability coverage and exclusions.

V392-Auto Products Video Classroom

The course addresses product knowledge of automobile insurance. The course is 1 hour of video tape instruction, that includes State Farm auto products and coverages.

A194-Basic Auto Policy and Common Endorsements

The course addresses product knowledge of automobile policies. The course is 3 hours of classroom instruction, that includes declarations, coverages, liability, conditions and endorsements of the State Farm basic auto policy.

A294-Automobile Insurance Plan/Commercial Vehicles

The course addresses product knowledge of commercial automobile policies. The course is 3 hours of classroom instruction, that includes automobile policies, procedures and service, the structure of the plan, the State Farm manual and how to use it and commercial vehicle insurance policies.

A394-Determining Value of Total Loss Vehicle

The course addresses management of claims. The course is 3 hours of classroom instruction, that includes information on how the State Farm claims department determines actual cash value of a total loss vehicle and dispute resolution.

A494-Tort Liability and Alternative Dispute Resolution

The course addresses product knowledge of claims liability. The course is 3 hours of classroom instruction, that includes legal liability and factors in settling a claim.

H194-Disability Insurance

The course addresses product knowledge of disability insurance. The course is 3 hours of classroom instruction, that includes specific knowledge on disability income needs, mortgage disability and guaranteed disability insurance products.

H294-Hospital Surgical/Hospital Income Review and Claim Workshop

The course addresses product knowledge and marketing capability of individual hospital insurance coverage. The course is 3 hours of classroom instruction that includes specific information on coverages, limitations, individual surgical and income insurance needs, basic and short term policies.

H394-Health Service Processing

The course addresses policy management for health insurance. The course is 3 hours of classroom instruction, that includes applications, billing, policy changes, rating, terminations and reinstatements.

H494-Essential for Health

The course addresses product knowledge and marketing capability for health insurance. The course is 3 hours of classroom instruction, that includes a practical exercise in underwriting, disability insurance, underwriting tools, insurance pools reinstatements and other special topics.

F294-Manufactured Homeowners Insurance

The course addresses product knowledge of insurance designed for manufactured homes. The course is 3 hours of classroom instruction, that includes building and policy differences, basic coverages of the policy, optional coverages, identifying concerns and case studies.

F194-Personal Lines Seminar

The course addresses marketing capability for personal lines coverages. The course is 3 hours of classroom instruction, that includes the client market, structure analysis and property evaluation, policy limits and endorsements.

C394-Rating Mercantile, Service and Office Risks

The course addresses product knowledge for rating of mercantile, service and office risks. The course is 3 hours of classroom instruction, that includes specific instruction on mercantile and service policies and rating, office policies and rating and case studies.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

February 4, 1994 Meeting
Sam W. Mitchell Building -- Room 13

Call to order	2:00
Course review process	2:05
Mark Nelson	
Summary of courses for review and staff recommendations	2:15
Discussion of courses by council	2:30
Advisory council recommendations to the Commissioner	2:55
Adjourn	3:00
Administrative Details - Next meeting	3:00

February 3, 1994

Insurance Continuing Education Advisory Council

Conference Call Minutes

February 4, 1994

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The meeting of the Insurance Continuing Education Advisory Council was called to order in a teleconference in Room 13 of the Sam Mitchell Building at 2:00 p.m.

Members Present - via phone

Mark Nelson, Insurance Department Non-Voting Member
John Bebee, Unaffiliated Insurance Agent Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member
Robin Boon, Independent Insurance Agents of Montana Member

Staff Present

Mary Arnold, Continuing Education Program
Tammy Peterson, Recording Secretary

No members of the public were in attendance.

Nelson called the meeting to order.

Nelson explained the process course packages take in the Auditor's Office. Course submissions arrive in the mail, they are opened, receipted and date stamped. Those with fees go to the accounting department. The fiscal staff deposits the checks and stamp the course submission with a unique reception number.

The course submission go to the continuing education program office where the reception is coded and credited to the Continuing Education earmarked account. Then the course review process begins. Courses submitted without fees or other required

materials are set aside. A letter is sent to the sponsoring organization requesting for the missing items.

Arnold reviewed the company, sponsoring organization and licensee packets that were mailed. Arnold said between 200 and 300 course submissions had already been received.

Arnold said each submission is summarized and evaluated for meeting the basic criteria set in the law. The standard for each course is: Does it, as the law requests, improve the product knowledge, management, ethics or marketing capability of a licensee. After the Advisory Council approves a course, that course will be taken by Nelson, as chairman, to the Commissioner for approval of the course and assignment of a course number. The sponsoring organization will then be notified of course approval.

If the Council needs additional information on which to base course review, a letter will be sent asking for more information. Sponsoring organizations that submit courses with a lot of problems or lacking pertinent information, will be sent a letter informing the sponsoring organization the course will not be approved.

Boon asked how the number of credit hours were determined. Arnold said until a course is approved, credit hours are not assigned. Arnold said based on the law the Commissioner is responsible for determining the credit hours.

Bolt asked Arnold if all of these courses should be approved. Arnold said the courses are recommended by the staff for approval. Bolt asked if the Council should see only those courses that the continuing education program did not want to approve. Arnold said the law said the council will review courses.

Leenknecht asked what the procedure was for handling a submission that was not approved before the date the course was scheduled. Arnold said sponsoring organizations are being treated leniently. If a course is submitted prior to the course offering and

subsequently approved retroactive credit will be given to the students. Anyone may offer continuing education, but unless a course was submitted for Montana continuing education credit and approved, no one would receive credit for it.

Bolt asked if CIC, CPCu,and CPSR courses were automatically approved. Bolt asked if those courses could be put on a list and be pre-approved. Arnold said the courses would still have to be submitted and approved.

Boon had some concern that some of the Pictorial submissions were stretching the number of hours. Arnold stressed that classroom hours and credit hours are different. The Commissioner assigns credit hours. It was agreed that Montana should try to be consistent with other states in rating credit hours.

Bebee made a motion to accept all the courses, as submitted (see Exhibit 1). Boon seconded that motion. Nelson asked for questions. Motion carried.

Bolt asked if the Council would get a list of how many credit hours would be given to each course. Arnold said she would send a list in their next packet.

The next meeting will be a conference call scheduled for February 22, 1994, for 2:00 p.m. Arnold will send materials to the Council, in advance of the meeting.

Meeting was adjourned at 2:55 p.m.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

National Business Institute, Inc.

Advanced Real Estate Law in Montana

This course addresses product knowledge of title insurance. The course is 6 hours of classroom instruction designed for individuals involved with various aspects of real estate transactions. Title issues comprise 2 hours of the course. The first offering of the course is scheduled for February 11, 1994 in Helena.

Insurance Continuing Education from Montana Agents Services

Emphasis Individual Life and Health Products

This course addresses product knowledge and marketing capability in a variety of life and health insurance areas, including: major medical, life, long term care, medicare supplement and general health care issues. The course is 5 hours of classroom instruction designed to provide basic program knowledge. The first offering is scheduled for March 21, 1994 in Libby.

Continental Insurance Company

1994 Spring Crop Insurance Update

This course addresses product knowledge and marketing capability for multi-peril and federal crop insurance. The course is 8 hours of classroom instruction, that includes a monitored examination, designed to provide specific information on 1994 crop insurance changes and issues. Multi-peril and federal crop insurance issues comprise 6 hours of the course. The first offering is scheduled for March 15, 1994 in Glasgow.

Professional Liability Underwriting Society

The following courses are part of the Registered Professional Liability Underwriter certification program.

Professional Liability

This course addresses product knowledge for professional liability insurance. The course is 40 hours of self-study texts, with a monitored examination, designed to provide general knowledge on medical and non-medical professional insurance liabilities and policy types. This is an on-going offering.

Professional Liability: Non-Medical

This course addresses product knowledge for professional liability insurance. The course is 40 hours of self-study texts, with a monitored examination, designed to provide specific knowledge on non-medical professional insurance liabilities and policy types, including: accountants, lawyers, architects, engineers, media professionals, public officials, and insurance agents. This is an on-going offering.

Professional Liability: Medical

This course addresses product knowledge for professional liability insurance. The course is 40 hours of self-study texts, with a monitored examination, designed to provide specific knowledge on medical professional insurance liabilities and policy types, including: hospital risk, health care providers, physicians and allied health care professionals. This is an on-going offering.

Pictorial, Inc.

Annuity Concepts

This course addresses product knowledge and marketing capability of annuities. The course is 28 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge on annuities, taxation of annuities and selling annuities. This is an on-going offering.

Business Continuation Training Course

This course addresses product knowledge and marketing capability of business continuation insurance. The course is 32 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge on partnerships, sole proprietorships, close corporations, taxation of these business types upon death of a partner or owner and prospecting for sales to these business types. This is an on-going offering.

Business Insurance Concepts

This course addresses product knowledge and marketing capability of business insurance. The course is 50 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge on various business types, appropriate insurance types for those businesses and sales prospecting to businesses. This is an on-going offering.

Estate Planning Concepts

This course addresses product knowledge and marketing capability of estate planning. The course is 46 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on estate planning, tax considerations in estate planning and estate administration. This is an on-going offering.

Estate Planning Training Course

This course addresses product knowledge and marketing capability of estate planning. The course is 58 hours of self-study text with a monitored examination. The course is designed to provide specific, in-depth knowledge of estate planning, tax considerations in estate planning, wills and estate administration. This is an on-going offering.

Executive Compensation Training Course

This course addresses product knowledge and marketing capability of non-salary compensation. The course is 26 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge on split dollar and deferred compensation programs, ERISA and executive bonus plans. This is an on-going offering.

Financial Planning Process Course

This course addresses product knowledge and marketing capability of financial planning. The course is 50 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on financial planning, tax considerations in financial planning, estate planning and the profession of financial planning. This is an on-going offering.

Financial Products Training Course

This course addresses product knowledge and marketing capability of financial products. The course is 36 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on financial products and planning, annuities, securities, insurance, tax shelters and other financial products. This is an on-going offering.

Long-term Care

This course addresses product knowledge and marketing capability of long-term care products. The course is 8 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on long-term care products, Medicare, medigap policies, taxation of long-term care policies and sales of these products. This is an on-going offering.

Pension Planning Training Course

This course addresses product knowledge and marketing capability of pension planning. The course is 58 hours of self-study text with a monitored examination. The course is designed to provide specific, in-depth knowledge of qualified retirement plans, taxation of benefits, ERISA, contribution plans, benefit plans, funding methods and plan administration. This is an on-going offering.

Commercial Auto Coverage

This course addresses product knowledge and marketing capability of commercial auto coverage products. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on coverages, eligibility requirements, covered autos and the three forms of commercial auto coverage. This is an on-going offering.

Commercial Auto Rating

This course addresses product knowledge and marketing capability of commercial auto coverage rating. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on commercial auto coverage rating. This is an on-going offering.

Commercial Crime Coverage

This course addresses product knowledge of commercial crime coverage products. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on coverages, policy formats, eligibility requirements, common declarations, premises burglary coverage, extortion, employee dishonesty, robbery and crime coverage plans. This is an on-going offering.

Commercial Crime Rating

This course addresses product knowledge and marketing capability of commercial crime rating. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on commercial crime coverage rating. This is an on-going offering.

Commercial General Liability Coverage

This course addresses product knowledge of commercial general liability coverage products. The course is 26 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on legal liability, exposure, commercial general liability coverage, occurrence forms, claims-made and endorsements. This is an on-going offering.

Commercial General Liability Rating

This course addresses product knowledge of rating commercial general liability. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on general liability, commercial lines, classify and rating occurrence forms and claims-made and commercial package policies. This is an on-going offering.

Commercial Inland Marine Coverage

This course addresses product knowledge of commercial inland marine coverage products. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on common inland marine risks, terminology and principles. This is an on-going offering.

Commercial Insurance Packages

This course addresses product knowledge and marketing capability of commercial insurance products. The course is 21 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on developing custom packages or providing pre-packaged policies to businesses. This is an on-going offering.

Commercial Property Coverage

This course addresses product knowledge and marketing capability of commercial property coverage. The course is 30 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on commercial property coverage, building and personal property distinctions and coverage, commercial condominium and builders risk coverage, major property forms and endorsement. This is an on-going offering.

Commercial Property Rating

This course addresses product knowledge of rating commercial property rating. The course is 12 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge and a step-by-step procedure for rating commercial property coverages. This is an on-going offering.

COURSE REVIEW SUMMARIES

The following courses have been reviewed by the continuing education program staff and are recommended for Advisory Council approval.

The sponsoring organizations have indicated appropriate attendance verification, instructor certification, student record maintenance, fee policies and examination administration.

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This course addresses product knowledge of title insurance. The course is 6 hours of classroom instruction designed for individuals involved with various aspects of real estate transactions. Title issues comprise 2 hours of the course. The first offering of the course is scheduled for February 11, 1994 in Helena.

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Professional Liability

This course addresses product knowledge for professional liability insurance. The course is 40 hours of self-study texts, with a monitored examination, designed to provide general knowledge on medical and non-medical professional insurance liabilities and policy types. This is an on-going offering.

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This course addresses product knowledge for professional liability insurance. The course is 40 hours of self-study texts, with a monitored examination, designed to provide specific knowledge on non-medical professional insurance liabilities and policy types, including: accountants, lawyers, architects, engineers, media professionals, public officials, and insurance agents. This is an on-going offering.

Professional Liability: Medical

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Pictorial, Inc.

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This course addresses product knowledge and marketing capability of annuities. The course is 28 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge on annuities, taxation of annuities and selling annuities. This is an on-going offering.

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Pictorial, Inc. (continued)

Business Insurance Concepts

This course addresses product knowledge and marketing capability of business insurance. The course is 50 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge on various business types, appropriate insurance types for those businesses and sales prospecting to businesses. This is an on-going offering.

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This course addresses product knowledge and marketing capability of estate planning. The course is 46 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on estate planning, tax considerations in estate planning and estate administration. This is an on-going offering.

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This course addresses product knowledge and marketing capability of non-salary compensation. The course is 26 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge on split dollar and deferred compensation programs, ERISA and executive bonus plans. This is an on-going offering.

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This course addresses product knowledge and marketing capability of financial planning. The course is 50 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on financial planning, tax considerations in financial planning, estate planning and the profession of financial planning. This is an on-going offering.

Pictorial, Inc. (continued)

Financial Products Training Course

This course addresses product knowledge and marketing capability of financial products. The course is 36 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on financial products and planning, annuities, securities, insurance, tax shelters and other financial products. This is an on-going offering.

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This course addresses product knowledge and marketing capability of long-term care products. The course is 8 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on long-term care products, Medicare, medigap policies, taxation of long-term care policies and sales of these products. This is an on-going offering.

Pension Planning Training Course

This course addresses product knowledge and marketing capability of pension planning. The course is 58 hours of self-study text with a monitored examination. The course is designed to provide specific, in-depth knowledge of qualified retirement plans, taxation of benefits, ERISA, contribution plans, benefit plans, funding methods and plan administration. This is an on-going offering.

Commercial Auto Coverage

This course addresses product knowledge and marketing capability of commercial auto coverage products. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on coverages, eligibility requirements, covered autos and the three forms of commercial auto coverage. This is an on-going offering.

Commercial Auto Rating

This course addresses product knowledge and marketing capability of commercial auto coverage rating. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on commercial auto coverage rating. This is an on-going offering.

Pictorial, Inc. (continued)

Commercial Crime Coverage

This course addresses product knowledge of commercial crime coverage products. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on coverages, policy formats, eligibility requirements, common declarations, premises burglary coverage, extortion, employee dishonesty, robbery and crime coverage plans. This is an on-going offering.

Commercial Crime Rating

This course addresses product knowledge and marketing capability of commercial crime rating. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on commercial crime coverage rating. This is an on-going offering.

Commercial General Liability Coverage

This course addresses product knowledge of commercial general liability coverage products. The course is 26 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on legal liability, exposure, commercial general liability coverage, occurrence forms, claims-made and endorsements. This is an on-going offering.

Commercial General Liability Rating

This course addresses product knowledge of rating commercial general liability. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on general liability, commercial lines, classify and rating occurrence forms and claims-made and commercial package policies. This is an on-going offering.

Commercial Inland Marine Coverage

This course addresses product knowledge of commercial inland marine coverage products. The course is 22 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on common inland marine risks, terminology and principles. This is an on-going offering.

Pictorial, Inc. (continued)

Commercial Insurance Packages

This course addresses product knowledge and marketing capability of commercial insurance products. The course is 21 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on developing custom packages or providing pre-packaged policies to businesses. This is an on-going offering.

Commercial Property Coverage

This course addresses product knowledge and marketing capability of commercial property coverage. The course is 30 hours of self-study text with a monitored examination. The course is designed to provide general knowledge on commercial property coverage, building and personal property distinctions and coverage, commercial condominium and builders risk coverage, major property forms and endorsement. This is an on-going offering.

Commercial Property Rating

This course addresses product knowledge of rating commercial property rating. The course is 12 hours of self-study text with a monitored examination. The course is designed to provide specific knowledge and a step-by-step procedure for rating commercial property coverages. This is an on-going offering.

Insurance Continuing Education Advisory Council

Conference Call Minutes

December 9, 1993

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The meeting of the Insurance Continuing Education Advisory Council was called to order in the Conference Room, State Auditor's Office at 3:30 p.m.

Members Present - via phone

Ted Clark, Public Member
John Bebee, Unaffiliated Insurance Agent Member
Steve Bahls, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member

Staff Present

Frank Coté, Deputy Insurance Commissioner
Geoffrey Brazier, Attorney
Nita Holman, Recording Secretary

Robin Boon submitted a memo containing her concerns with the final rules. This is attached as Exhibit 1.

A list of other parties present is attached as Exhibit 2.

Coté reviewed the proposed rules, section by section. A copy of the final rule submission is attached as Exhibit 3.

RULE II - DEFINITIONS

(1) The word **"regional"** was struck. No comments.
(3) The phrase **"course provider"** struck throughout the rules and **"sponsoring organization"** is inserted.

(5) A definition of **"correspondence study"** was added.

(9) A definition of **"instructor"** was added. There were several concerns expressed about including this as a rule element.

(9) The definition of **"proctor"** is revised by removing **"of"** and replacing it with **"...or the examination process for..."**.

(13) A definition of **"sponsoring organization"** was added. Boon proposed revising the definition as follows: "Sponsoring organization" means any group(s) or organization(s) that submit courses for department review and offers or provides approved courses for continuing education to allow licensees to meet the requirements of 33-17-1203, MCA, and is responsible for those course offerings. (Changes underlined)

There was extensive discussion regarding how the fee schedule applies to the resubmission of a course by a different sponsoring organization.

Bahls asked if the addition of "and their agents" would clarify things so a local group could be an agent of a national group. The additional revisions were made.

RULE III - COURSE SUBMISSIONS

(1) Was added.

(a) Bahls suggested revising this to read "...the practical and academic experience of each faculty member is sufficient to teach the subject assigned." (New words underlined)

(b) Bahls suggested deletion of the word **"how"**.

(c) Bahls suggested deletion of the word **"how"**.

These additional revisions were made.

Boon suggested the addition of **"upon request"** after the word "organization." This revision was not made.

(n) **"Instructors qualifications"** was revised to" **instructor"**. The advisory council recommended this be completely deleted.

Subsection (2) (g), (h), and (i) were revised and included as elements of subsection (1).

(p) The words "...**and test administration methods** were added to the definition. No comment.

(4) Is now (5).

(c) "**Sponsor**" is revised to "**sponsoring organization**" throughout the rules. "...**participate in the postponed...**" is deleted and replaced with "**attend a**". Boon suggested a further revision to "...**attend future course...**". This revision was not included.

(5) Now (6). Added "...**within one month of course completion or prior to the end of the calendar year during which the participant completed the course**". Boon suggested this be extended to two months, not one.

Bahls suggested revising it to say "...**the sponsoring organization shall be granted up to 2 months to provide such proof of course completion, if the sponsoring organization notifies the course participants in writing, in advance of the course.**" This additional change was accepted.

(6) Now (7). Discussed deletion of this element.

(9) Now (10).

(11) Now (12). The phrase "...**or the equivalent hours for a correspondence course**" was added. No comment.

RULE VI - CERTIFICATION REQUIREMENTS FOR LICENSEES AND LIMIT ON CREDIT FOR COURSE REPEATED

The words "...**or approved...**" was added. No comment.

RULE VIII - NON-RESIDENT REQUIREMENTS

Delete the word "...**and...**" and insert the word "...**or...**" No comment.

RULE IX - COURSE AUDIT

No comment.

RULE X - SANCTIONS AGAINST COURSES AND SPONSORING ORGANIZATION SUSPENSION

1(b) No comment.

RULE XI - FEES SCHEDULE

(3) This was revised to read "**...academic credit**". No comments. Bahls suggested the title of Rule XI be changed to "continuing education fees". The revision was accepted.

Additional Issues

There was a lengthy discussion of "the incidental sale of credit life insurance". Bolt asked about the official comments which were received on this element of the rules. Coté read the comment section aloud to the council. Bahls believes the term "incidental" is so broad as to be unenforceable under the continuing education law.

Brazier said that in dealing with statutory language, there are three choices:

1. Interpret it.
2. Define it by rule; which is what is being done here.
3. Evaluate it on a case-by-case basis.

Coté suggested changing the phrase "**...incidental sale of credit life and disability insurance...**" to "**...insurance incidental to other non-insurance activities...**". The definition remains the same, but change what is being defined to "**...selling insurance incidental to other non-insurance activities**". Brazier said this was a reasonable change.

The meeting was adjourned at 5:15 p.m.

EXHIBIT 1

FLATHEAD ASSOCIATION OF INDEPENDENT INSURANCE AGENTS
F.A.I.I.A.

ROBIN L. BOON, CPCU, CIC, CPIW
MONTANA BLDG. - 33 2ND ST. E.
KALISPELL, MONTANA 59901
PHONE 406-752-7882
FAX 406-257-2440

December 9, 1993

TO: Continuing Education Advisory Council

FROM: Robin Boon, Advisory Council Member

RE: Comments for the December 9, 1993, Conference Call on Changes in the Continuing Education Administrative Rules

When the conference call was changed from December 10 to December 9, I was dismayed to find that I had a previous commitment on the 9th that could not be changed. I apologize for not being able to participate in this conference call, however, I would like to offer the following written comments for your consideration during the meeting.

Rule II - Definitions

(13) Sponsoring Organization

My concern is that this definition may not be clear enough to address what was discussed at our last meeting, namely, that often times there are two organizations who work together to provide a course. Each of these organizations' responsibilities in providing the course vary depending on the agreement between the two. One organization may develop the course and file it for continuing education approval, while the second organization actually physically administers the course, or they may jointly be involved in all aspects of offering/providing the course.

In various sections of the administrative rules, the sponsoring organization is the only one allowed to perform certain functions, i.e. administer, monitor, grade, etc. any exam. If the sponsoring organization is defined as the group or organization who submits courses for department review and offers approved courses for continuing education credit, that does not allow a second organization, working jointly with the first organization, to perform some of these functions.

For this reason, I would recommend the following changes to the definition:

Insurance Agents

"Sponsoring organization" means any group(s) or organization(s) that submit(s) courses for department review and offers or provides approved courses for continuing education credit to allow

licensees to meet the requirements of 33-17-1203, MCA and is responsible for those course offerings."

The intent of these changes is to try and clarify that there may be more than one group or organization -- one who offers, and one who provides -- working in tandem as an inclusive "sponsoring organization".

RULE III - Course Submissions

It was my understanding that the former "g, h and i" were to be grouped together in their own subsection because these items were not to be mandatory in the course submission process, but rather these items could be requested or required at the discretion of the Insurance Department and/or CE Advisory Council.

Therefore, I would recommend the following change:

Subsection (1): Following the word organization
insert the words upon request:

If the department agrees with this, I would also recommend that the current Subsection (1) be made Subsection (2) and that the current Subsection (2) be made Subsection (1) because it "flows" better to have the mandatory items listed first, and the" upon request" items listed second.

Subsection (6): Following within
strike one and insert two

I offer this change because if a course is provided at the end of December, one month may not be adequate for some sponsoring organizations to grade exams and provide the test results to the student.

I have discussed these recommendations with Vickey Anderson, Education Director of the Independent Insurance Agents Association. She will be attending the conference call meeting, and I urge you to ask for her input if you have questions or need clarification of any of my comments.

Again, I regret not being able to participate in the conference call. I wish you all Happy Holidays and look forward to seeing you at our January meeting.

Best regards,

RB:mar

EXHIBIT 2

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - December 9, 1993

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Ron Ashbaucher PO Box 5357 Helena	State Farm Ins	443-0694
LARRY AKEY BOX 396 HELENA, MT 59624	MT ASSOC OF LIFE UNDERWRITERS	449-3080
Vicky Anderson Box 5593; Helena MT 59604	Ind Ins Agents Assn of MT	442-9555
W. Roger McGlenn Box 5593; Helena MT 59604	Ind Ins Agents Assn of MT	442-9555
Debra Sandaque PO Box 759, Kalispell MT	NAII/MCTA	752 6644 442 0829 (Helena)

Please print

EXHIBIT 3

BEFORE THE STATE AUDITOR AND COMMISSIONER OF INSURANCE OF THE STATE OF MONTANA

In the matter of the adoption of new rules implementing a continuing education program for insurance producers and consultants	)))))	NOTICE OF ADOPTION OF NEW RULES 6.6.4102 AND 6.6.4201-6.6.4210

TO: All Interested Persons.

On October 28, 1993, the state auditor and commissioner of insurance of the state of Montana published notice of public hearing with respect to the proposed adoption of new rules implementing a continuing education program of insurance producers and consultants. The notice was published at page 2466 of the 1993 Montana Administrative Register, issue No. 20.

1. The agency has assigned rule numbers 6.6.4201 through 6.6.4210 to the substantive rules I through X proposed for adoption, and 6.6.4102 to Rule XI, establishing an applicable fee schedule proposed for adoption.

2. The agency has adopted new rules I (6.6.4201), IV (6.6.4204), V (6.6.4205), and VII (6.6.4207) as proposed.

3. The agency has adopted Rules II (6.6.4202), III (6.6.4203), VI (6.6.4206), VIII (6.6.4208), IX (6.6.4209), X (6.6.4210) and ~~XI~~ (6.6.4102) with the following changes (material stricken is interlined; new matter added is underlined):

RULE II (6.6.4202) DEFINITIONS For the purposes of this sub-chapter, the following terms have the following meanings:

(1) "Accredited educational institution" means an institution of higher learning that is certified by its appropriate ~~regional~~ accrediting agency to meet that agency's prescribed standards.

(2) remains the same.

(3) "Certificate of completion" means a document issued by the ~~course provider~~sponsoring organization to the licensee signifying satisfactory completion of a course and reflecting credit hours earned by the licensee.

(4) remains the same.

(5) "Correspondence study" means those independent study methods taught outside the classroom setting through approved text(s), audiovisual materials or other method of information exchange.

(5) through (6) are renumbered (6) through (7). Text remains the same.

(7) is renumbered (11), revised and inserted in correct numerical order below.

(8) "Instructor" means an individual who meets the requirements set forth in Rule IV, is identified by a sponsoring

organization in a course submission, participates in course presentations, activities and discussions, and who may monitor the attendance and conduct of course participants or administer examinations.

(~~9~~8) "Licensee" means an individual required to be licensed under Title 33, chapter 17, parts 2, 4 or 5, MCA, except for those licensees involved in the ~~incidental sale~~selling of credit life and disability insurance incidental to other noninsurance activities.

(~~10~~9) "Proctor" means a person who monitors the attendance and conduct ~~of~~for the examination process for course participants, but who does not participate in course presentations, activities or discussions or complete any required examinations.

(~~11~~7) "~~Incidental sale~~Selling of credit life and disability insurance incidental to other noninsurance activities" means, for the purposes of determining which licensees must complete continuing education requirements, cumulative annual premiums for a calendar year sold in an amount less than $5000.00.

(10) is renumbered (12). Text remains the same.

(13) "Sponsoring organization" means any group(s) or organization(s) and their agent(s) that submits courses for department review and offers or provides approved courses for continuing education credit to allow licensees to meet the requirements of 33-17-1203, MCA and is responsible for those course offerings.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE III (6.6.4203) COURSE SUBMISSIONS (1) The following standards, by which acceptability of submitted courses should be evaluated, must all be certified by the sponsoring organization.

(a) The practical and academic experience of each faculty member is sufficient to teach the subject assigned.

(b) The course enhances the ability of a producer to provide insurance services to the public effectively.

(c) The subject matter relates to professional ethics, where practicable.

(2~~1~~) Submissions for approval of courses must include at least the following information:

(a) the name of the sponsoring organization;
(b) the title of the course;
(c) the proposed date(s) of offering;
(d) course goals and objectives;
(e) major course topic(s);
(f) course length;
~~(g) practical and academic experience of each faculty member to teach the subject assigned;~~
~~(h) how the course enhances the ability of a producer to provide insurance services to the public effectively;~~
~~(i) a discussion of the relationship of the subject matter to professional ethics;~~

(g~~j~~) a list of other states that have approved the course and the credits granted the course in other states;

(h~~k~~) a syllabus or course outline;

(i~~l~~) a summary of each course outline element;

(j~~m~~) method of instruction, such as classroom, correspondence, videotape, audiotape, teleconference, etc;

(k~~n~~) method of administering examinations, if any;

(l~~o~~) method of attendance verification;

(m~~p~~) method of student record maintenance;

(n~~q~~) instructor~~s qualifications~~;

(o~~r~~) a designated contact person; and

(p~~s~~) a written explanation of ~~test~~examination security measures and examination administration methods.

(2) and (3) are renumbered (3) and (4). Text remains the same.

(5~~4~~) Charges for courses must be clearly disclosed to students before enrollment.

(a) If a course is cancelled for any reason, all charges are refundable in full, unless the refund policy is clearly defined in the enrollment application.

(b) In all instances, the charges must be refunded within 45 days of cancellation.

(c) In the event a course is postponed for any reason, students must be given the choice of attending ~~the~~a course at a later date or having their charges refunded in full. The charges must be refunded within 45 days of postponement unless the sponsoring organization is notified that the student has chosen to ~~participate in the postponed~~attend a course.

(d) A sponsoring organization may have a refund policy addressing a student's cancellation or failure to complete a course, as long as that policy is made clear to potential students.

(6~~5~~) A ~~course provider~~sponsoring organization must provide proof of course completion to each course participant who successfully completes the approved course of study within one month of course completion or prior to the end of the calendar year during which the participant completed the course. The sponsoring organization shall be granted up to 2 months to provide such proof of course completion, if the sponsoring organization notifies the course participants in writing, in advance of the course.

(7~~6~~) ~~Course providers~~Sponsoring organizations who add qualified course instructors after a course is approved must submit the name(s) of those instructors to the commissioner prior to the course offering.

(8~~7~~) A ~~course provider~~sponsoring organization may not schedule more than eight hours of class time in one day.

(8) is renumbered (9). Text remains the same.

(10~~9~~) ~~Course providers~~Sponsoring organizations must resubmit courses for new review and certification whenever significant changes in course content are made.

(10) is renumbered (11). Text remains the same.

(12~~11~~) The number of credit hours assigned to a course will normally be based upon the classroom or contact time, or the equivalent hours for a correspondence course.

(12) is renumbered (13). Text remains the same.

(14~~13~~) No activity may be advertised as having been approved for credit until the sponsoring organization receives written approval from the commissioner.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204, MCA

RULE VI (6.6.4206) CERTIFICATION REQUIREMENTS FOR LICENSEES AND LIMIT ON CREDIT FOR COURSES REPEATED (1) Each licensee subject to these rules must file an appropriate certificate of completion and pay the required certification fee each year in the first six months of the calendar year for courses completed in the preceding year. Such certification must be submitted on a schedule established on forms supplied or approved by the commissioner, and completed in their entirety.

(2) remains the same.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE VIII (6.6.4208) NON-RESIDENT REQUIREMENTS (1) A non-resident licensee whose state of residence imposes continuing education requirements similar to those of Montana, may comply with Montana's continuing education requirement by submitting a completed compliance certification form ~~and~~or a letter of certification from the resident state confirming compliance in that state.

(2) remains the same.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE IX (6.6.4209) COURSE AUDIT (1) remains the same.

(2) ~~Course provider~~Sponsoring organization records must be made available to the commissioners staff for audit, at department request.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203, 33-17-1204 and 33-17-1205, MCA

RULE X (6.6.4210) SANCTIONS AGAINST COURSES AND SPONSORING ORGANIZATION SUSPENSION (1) Approval of a program may be revoked or placed under probationary approval if the commissioner determines that:

(a) The program teaching method or program content no longer meet the standards of these rules or have been significantly changed without approval of the commissioner; or

(b) The ~~course provider~~sponsoring organization certifies that an individual has completed a program in accordance with

the standards established for certification or completion of the program, when in fact the individual has not done so; or

(c) Individuals who have satisfactorily completed the program in accordance with the standards established for certification or completion were not so certified by the ~~program~~sponsoring organization or instructor; or

(d) The instructor or sponsoring organization no longer meets the standards of these rules, has had a license revoked or placed under probationary approval, or lacks education or experience in the subject matter of the proposed courses.

(2) and (3) remain the same.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204 and 33-17-1205, MCA

RULE XI (6.6.4102) CONTINUING EDUCATION FEES (1) remains the same.

(2) ~~Course providers~~Sponsoring organizations:

(a) Submission of a course or program for review and initial biennial certification . . . . . $ 75.00

(b) A maximum submission fee of $1,500.00 may be charged a ~~course provider~~sponsoring organization during a biennium for initial review of courses.

(3) Accredited educational institutions are exempt from fee requirements for courses provided for academic credit.

(4) remains the same.

AUTH: 33-1-313 and 33-12-1206, MCA
IMP: 33-2-708, MCA

4. A public hearing on the proposed rules was held on November 29, 1993. Twenty-four interested persons attended the hearing, nine of whom submitted data, views and arguments on some of the proposed rules. In addition, there were six written submissions of data, views and arguments. The agency has fully and thoroughly considered all oral and written submissions received respecting the proposed rules and responds thereto as follows:

WITH RESPECT TO PROPOSED RULE II (6.6.4202):

COMMENT:
The word "regional" should be deleted from the definition of "accredited educational institution".

RESPONSE:
The agency concurs and revises the rule accordingly.

COMMENT:
There should be standardized use of the term "sponsoring organization".

RESPONSE:
The agency concurs and replaces the terms "course provider", "program", and "sponsor" with the term "sponsoring organization" wherever applicable.

COMMENT:
The rule should include a definition for the term "sponsoring organization".

RESPONSE:
The agency concurs and revises the rule accordingly.

COMMENT:
The rule should include a definition for the term "course provider".

RESPONSE:
The term "course provider" has been replaced by the term "sponsoring organization".

COMMENT:
The definition of "incidental sale of credit life and disability insurance" should be revised to mean, for the purposes of determining which licensees must complete continuing education requirements, such insurance that is incidental to other noninsurance activities of the licensee.

The definition of "incidental sale of credit life and disability insurance" should be revised to increase the annual premiums for a calendar year to a level to reflect both the reality of the market place and legislative intent.

The definition of "incidental sale of credit life and disability insurance" should be revised to exclude those offering credit life and disability in connection with the credit transaction.

RESPONSE:
The problem lies with 33-17-1203(4)(f), MCA, which exempts some persons who sell credit life and disability insurance incidental to other noninsurance activities from the continuing education requirements of the Act.

Obviously, the legislature did not intend to exempt all persons who sell credit life and disability insurance. If it so intended, it could have said so and would have said so. By the same token, it did not intend to require that all persons who sell credit life and disability insurance meet the continuing education requirements of the Act. It could have made that intent clear, too.

Unfortunately, the phrase "incidental to other noninsurance activities" is broad and open to considerable latitude in interpretation. But, just as it is open to interpretation, it is subject to implementation.

In addressing the need for implementation, the agency is guided primarily by the purpose of the Act, which is to protect insurance consumers. 33-17-1202(1), MCA. See also the statement of intent to Chapter 622, Laws of 1993.

Credit life and disability insurance consumers are vulnerable to sales of unnecessary insurance products, inappropriate products and too much insurance. At some point, so many insurance consumers become vulnerable that the sales are no longer an "incidental" risk to the public. The proposed definition constitutes an attempt to identify that point.

The agency's information was that a $5,000.00 premium limit reflects a sales volume of eight to ten contracts in a year. This figure does not reflect unsuccessful sales attempts. Based on that data, the agency decided that such volume not only makes a substantial element of the insurance consuming public vulnerable to the competence of the individual producer, but that volume of business stands alone and is no longer incidental to other noninsurance activities.

COMMENT:
The rule should revise the definition of the term "proctor" to make clear that a proctor monitors the examination process of course participants.

RESPONSE:
The agency concurs and revises the rule accordingly.

COMMENT:
The rule should include a definition for the term "instructor".

RESPONSE:
The agency concurs and revises the rule accordingly.

COMMENT:
The rule should include a definition for the term "correspondence study".

RESPONSE:
The agency concurs and revises the rule accordingly.

WITH RESPECT TO PROPOSED RULE III (6.6.4203):

COMMENT:
Proposed subsections (1)(g) and (1)(q) should be deleted because listing every possible instructor's personal qualifications is unnecessary and redundant.

Proposed subsections (1)(g), (1)(h) and (1)(i) should be deleted.

Proposed subsection (1)(i) should be clarified.

RESPONSE:
The agency revises the rule. Subsection (1)(q) is revised and retained.

Section 33-17-1204, MCA, provides that instructors must be approved and periodically reviewed by the commissioner. The requirement for a sponsoring organization to provide a list of course instructors as part of a course submission allows the commissioner to fulfill this responsibility.

COMMENT:
The rule should include the following provisions:

1. No credit will be given for partial completion of a course.
2. A provider authorization agreement should be required if another provider is submitting a course that has already been submitted and approved by the publisher.
3. All new provider fees and application forms will be required from the second provider.

RESPONSE:
The agency rejects these comments for the following reasons:

1. Rule X(1)(b) addresses this concern.
2. It is not the role of the advisory council or the commissioner to review or enforce such contracts.
3. Each sponsoring organization must submit required course materials and fees prior to course offering.

COMMENT:
Subsection (4)(c) should be revised to allow for student participation in a future educational offering by the sponsoring organization.

RESPONSE:
The agency concurs and revises the rule accordingly.

COMMENT:
Subsection (5) should be revised to include a time period during which a sponsoring organization must furnish a certificate to a student.

RESPONSE:
The agency concurs and revises the rule accordingly.

COMMENT:
Subsection (11) should be revised to allow for equivalent hours for a correspondence course.

RESPONSE:
The agency concurs and revises the rule accordingly.

WITH RESPECT TO PROPOSED RULE V (6.6.4205):

COMMENT:
The rule should specify a pass-fail score.

COMMENT:
The rule should include the following or a similar provision: "The provider of a correspondence course shall not provide the student or anyone else with the answers to the questions on the course final examination prior to or after the student takes the examination. After grading the examination, the provider may only inform the student of the percentage score obtained or the number of correct and incorrect answers, and the subject area(s) in which the student needs additional study. The provider may not reveal to the student or to anyone else the specific question(s) which the student answered correctly or incorrectly."

RESPONSE:
The agency declines to revise the proposed rule for the reason that sponsoring organizations may provide this information as part of their course submissions.

WITH RESPECT TO PROPOSED RULE VI (6.6.4206):

COMMENT:
The second sentence of subsection (1) should be revised to read "...on forms supplied or approved by the commissioner..."

RESPONSE:
The agency concurs and revises the rule accordingly.

WITH RESPECT TO PROPOSED RULE VIII (6.6.4208):

COMMENT:
In subsection (1), the phrase "...completed compliance certification and a letter of certification..." is redundant and unnecessary.

RESPONSE:
The agency concurs and revises the rule accordingly.

WITH RESPECT TO PROPOSED RULE XI (6.6.4102):

COMMENT:
The fee level in subsection (2)(b) should be reduced to $1,000 during a biennium.

RESPONSE:
The fee level in subsection (2)(b) is reasonable. The fee will be reviewed at the end of each biennium and changed, as necessary.

COMMENT:
Subsection (3) of the rule should be revised to prevent university-employed educators from being in competition with themselves when teaching similar courses for private sector organizations.

RESPONSE:
The agency concurs and revises the rule accordingly.

COMMENT:
The title to the rule should be changed to "continuing education fees" to distinguish the rule from the title to the subchapter and from other fee schedules in the subchapter.

RESPONSE:
The agency concurs and revises the title to the rule accordingly.

MARK O'KEEFE, State Auditor
and Commissioner of Insurance

By _____

_____
Geoffrey L. Brazier
Rules Reviewer

Certified to the Secretary of State this 13th day of December, 1993.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

November 3, 1993 Meeting
Sam W. Mitchell Building -- Room 13

Call to order	1:00
Approval of minutes	
Mark Nelson	
Administrative rules hearing process	1:15
Geoff Brazier	
Summary of program activities	1:30
Continuing education reciprocity	1:45
Review of proposed forms	2:00
Course submission form draft Licensee certification form draft	
Public Comment	2:15
Break	3:00
Discussion of continuing education reciprocity and forms	3:15
Council direction to staff	4:15
Adjourn	5:00
Administrative Details - Travel Vouchers	5:15

November 2, 1993

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

November 3, 1993 Meeting
Sam W. Mitchell Building -- Room 13

Call to order	1:00
Approval of minutes	
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Council direction to staff	4:15
Adjourn	5:00
Administrative Details - Travel Vouchers	5:15

October 5, 1993

Insurance Continuing Education Advisory Council

Minutes

November 3, 1993

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The Insurance Continuing Education Advisory Council meeting was called to order at 1:15 p.m. in Room 13 of the Sam W. Mitchell Building.

Members Present

Mark Nelson, Insurance Department Non-Voting Member
Ted Clark, Public Member
John Bebee, Unaffiliated Insurance Agent Member
Steve Bahls, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member
Robin Boon, Independent Insurance Agents of Montana Member via conference call

Staff Present

Mary Arnold, Continuing Education Program Coordinator
Rosalie Hasenohrl, Licensing Clerk
Nita Holman, Recording Secretary
Geoff Brazier, Attorney, State Auditor's Office

A list of other parties present is attached as Exhibit 1.

Approval of Minutes

The council members reviewed and approved the minutes.

Administrative Rules Hearing Process

Nelson introduced Geoff Brazier, who reviewed the administrative rules hearing process and described the process for the administrative rules hearing.

A copy of the Notice of Public Hearing was distributed (Exhibit 2).

Brazier said the Notice of Public Hearing was sent to interested persons. Brazier will serve as presiding officer for the hearing. After the hearing, the council will have a limited amount of time to formulate responses to the public comments received and to revise the rules. A notice of adoption will contain those decisions. The final form of rules will be effective the day after publication.

The hearing is for the benefit of interested persons. Comments can be provided at the hearing or submitted in writing. The presiding officer keeps the proceedings orderly, ensures the proceedings conform to statutes and rules governing rule making in Montana, and ensures everyone has a fair chance to participate in the process.

Summary of program activities

Nelson asked Arnold to discuss the projects undertaken by the continuing education program.

Arnold described efforts to update information on Montana insurance licensees. A postcard was sent to licensees who hold a valid insurance license, but have no company appointments. There were 1700 cards mailed out. These were sent out as the first step in the clean-up of the licensee database. This seems to be working well.

Arnold discussed surveys sent to potential continuing education course providers. Continuing education course providers for surrounding states were contacted and surveyed to determine if they had interest in providing continuing education in Montana. A

list was developed, from the responses, of individuals interested in offering insurance continuing education in Montana. The surveys were sent to 780 potential course providers.

Continuing Education Reciprocity

Arnold reviewed the summary *Continuing Education Programs of Other States* attached as Exhibit 3. It is the staff recommendation that those states with continuing education programs similar to that proposed in Montana be given reciprocity.

In Kansas and Oklahoma six credit hours are required annually. Arnold said in most reciprocal agreements, if the requirements in the home state are completed, the other state accepts the requirement as completed. This means one completes the requirement of only one state. Arnold stated Montana already has reciprocal agreements with other states. Those agreements can be amended to include acceptance of continuing education program requirements.

Review of Proposed Forms

Arnold presented the *Montana Insurance Continuing Education Course Submission* form, Exhibit 4. This form covers the rules that are proposed. Bolt said this draft form asks for too much information.

Arnold next went over the 1994 Montana Insurance Continuing Education Licensee Record Card. This is the document that individual licensees will complete and submit as to what courses they have completed during the year 1994. Bebee asked if this form was really for continuing education. Nelson said that they are making the form do more than one job for the Department. Bebee said that the form is confusing and needs revision. Bahls asked why we needed the signature of the instructor. Nelson said that part of the problem is trying to get rid of so much paper coming into the office. There was a discussion about how to keep track of courses taken and whether they finished the course.

Bahls reminded us that the statute requires us to file annually, written certification.

Leeknecht asked Bahls how lawyers handle the reporting of continuing education. Bahls replied individuals certify their attendance, but there is no requirement for submitting certificates or an instructor signature.

Public Comment

Dave Jones, State Farm, said it would not be beneficial to have the instructor's signature on the forms. Jones asked if Montana has a format for a certificate of completion. Nelson said no. Jones said the draft *1994 Montana Insurance Continuing Education Licensee Record Card* is confusing. It is an address change form. Jones said the course certification number should be included as one of the form elements.

Vickey Anderson, Independent Insurance Agents of Montana, said that the draft *1994 Montana Insurance Continuing Education Licensee Record Card* is unclear. Anderson said the course title should be included as an element of the form. Anderson said carry over credits should be an element of the form and the license renewal fee amount and deadlines should be clearly stated.

Anderson asked if the department could automatically generate a letter stating compliance by a licensee with the Montana continuing education requirement. Nelson said this is a letter of certification. There is a $10.00 fee for each certification letter.

Anderson said a notarized signature should be requested on the *1994 Montana Insurance Continuing Education Licensee Record Card*. Nelson said notarization only verifies the signature on the form is that of a particular person, not that the person is telling the truth.

Anderson said the question on ethics on the course submission form is difficult to answer.

Anderson said the terms course provider and sponsoring organization should be standardized. There should be standards or an approval process for a sponsoring organization.

Anderson made comments regarding the proposed administrative rules. She said that Rule II(9) is confusing. A person may teach the course, verify attendance and administer the exam. Rule II(9), states somebody who proctors an exam, may not also teach the course. Anderson said the rules should include a definition for "instructor." This definition should include teaching, monitoring attendance, and administering examinations. Anderson said the definition of "proctor" should be clarified. One person may perform all of these functions. Nelson said in the rule definitions instructing does not exclude the duty of proctor, but a proctor does not meet the definition of instructor and should not receive the continuing education credit provided to instructors.

Roger McGlenn, Independent Insurance Agents Association, said he believed that a proctor and an instructor are two different things. McGlenn said that proctor keeps control of conduct, monitors conduct, and monitors examinations; an instructor teaches. McGlenn said an amendment to Rule II(9). McGlenn suggested inserting the language "or the examination process" then striking the word 'of', replacing it with the word 'for' course participants." McGlenn said felt that the proctor should have administrative rule and authority to monitor an examination. McGlenn said the term instructor should be defined in the administrative rules.

Ken Hassler, Helena Association of Life Underwriters, said a proctor is one who oversees, not teaches. Hassler said the term instructor should be defined in the administrative rules.

Anderson said in the initial draft of the administrative rules a different definition was used for credit hours. Rule III(11) discusses assignment of credit hours to a course. The phrase ". . . contact time, or their equivalent" was removed from proposed rules. Anderson asked why? Arnold said the phrase was removed because it was vague.

Anderson asked if the courses identified in Rule XI(3) are only those in a degree program. Bolt said courses provided for credit are part of a degree program. Anderson asked if students receive credit for university continuing education program courses. Bahls said those students do not receive college credit.

McGlenn said the original administrative rule draft Rule V(1) included a percentile for exam passage. McGlenn asked if a passing score will be determined by the department, instructor, or course provider. Bahls said that it should be left to the provider. Arnold said, as part of the course submission, the course provider must explain the examination and scoring. McGlenn asked the council to look at that before the public hearing.

McGlenn asked if the last sentence of Rule VI(1) could be amended to ". . . forms supplied or approved by the commissioner . . ." This change would allow electronic submission of course completion materials.

Clark asked if the rules need to include ". . . forms completed in their entirety." Clark asked if this is redundant. Nelson said it might be redundant, but it would be left.

Hassler said the relationship between course subject matter and professional ethics requires clarification. Bahls said the rule is inconsistent with their discussion. Bahls said Rule III(1) should read ". . . where practicable, to professional ethics." Rule III(1)(g), (h) and (i) were intended to be standards for approval, not to provide information. Then the other items are used to determine whether those standards are met.

Hassler said it is necessary to have an instructor signature to verify course completion.

Debbie Berney, Montana Association of Professional Insurance Agents, was concerned about reciprocity with other states that have no requirements or lesser requirements for people licensed over 4 years.

Berney asked how accreditation for colleges is handled. Bahls said some are accredited nationally and some aspects are accredited regionally. Berney said it was her understanding Rule III(10)(c) and (e) were eliminated from the reduced credit hours list. Berney said she recalled no discussion mentioned having more than 8 hours of class time in a day.

Berney said Rule V(3) needs clarification. The sponsor of a program may not do the grading of course examinations. Berney said the maximum submission fee for course providers should be reduced from $1,500.00 to $1,000.00.

Discussion of continuing education reciprocity and forms

The council discussed entering into reciprocal agreements on continuing education with other states. Nelson discussed reciprocal verses retaliatory agreements. Nelson said retaliatory means Montana does to another state what that state does to Montana. Reciprocity means what Montana does is okay with other states, and what other states do is okay with Montana. Nelson said for continuing education, reciprocity is the norm.

Nelson said to provide recommendations on reciprocity other states requirements were reviewed and how credit hours were measured was also reviewed. Nelson said there was a lot of comparing of other states credit hours.

Bebee asked if there is a real problem with Oklahoma and Kansas' requirements. Bebee made a motion to include all states that have continuing education in reciprocal agreements. Bolt seconded the motion. Clark asked if Kansas and Oklahoma had reciprocal agreements with all the other states. Nelson said he believed they do. Arnold said all states that require continuing education have reciprocal agreements. Motion was carried.

The council discussed the draft *Montana Insurance Continuing Education Course Submission* form. Bahls asked if the council was being asked to approve these forms. Nelson asked for changes, not approval. Bahls said that the attachment should track the final regulation. Bahls suggested that the discussion of the

subject matter of professional ethics to show it should be done, "where practicable." Clark said he felt the development of the form to be an administrative duty and appreciates the fact that Nelson was asking the board. Clark said the licensing office should deal with the form, with some input from the board. Clark stated that it should ask the providers to certify certain things. Clark felt that (g), (h), and (i) could just be certified.

Bahls said items (g), (h), and (i) were originally standards for approval of a course. Bahls felt that we should give the opportunity to speak directly to the standards for approval. He said public hearing testimony on this topic would determine if certification would work. Bahls sid if a course provider meets the minimum qualifications, that would be enough. Bolt asked if the form could include the phrase "we certify that our instructors will meet the criteria of instructor." Bahls said the checklist will help local providers who may not be used to developing courses. It will help them think through constructing a quality course.

Bolt asked if a proposed date for a course offering was necessary information. Nelson said the proposed date would be beneficial for prioritizing course review.

Bahls said the fee levels should be included on the submission form. Bahls said "the fee is nonrefundable" should be included on the form.

The council discussed the *1994 Montana Insurance Continuing Education Licensee Record Card*. Boon said an instructor's signature is not applicable for a correspondence course. Boon asked if the phrase "under penalty of law I certify that this is accurate" could be placed under the signature line. Nelson said yes.

Boon asked if a fine could be assessed if someone misrepresents course attendance. Nelson said the council doesn't have that authority, but the commissioner does have the authority to take a license, take administrative action, and issue fines. Boon said

that random audits could be done and catch people that way. Nelson agreed with this.

Clark asked if course title and course number could be included as form elements. Nelson said the course title would be a good addition.

Clark asked if requesting an instructor signature is appropriate. Hassler said an instructor's signature should be required. Bolt said having the course provider is sufficient. Boon agreed with Bolt. Nelson said the council members appeared to agree to strike the instructor's signature.

Clark asked how attendance would be validated. Nelson said course providers are required by statute to provide the department with an alphabetical attendance list annually. The proposed rules include language that a certificate of completion will be provided to each student. Arnold said course providers will include in each course submission how they intend to verify attendance. Jones said the attendance roster may be used as a cross check.

Leenknecht asked if a place to list carry over credits could be included on the form.

Arnold summarized the suggested changes to both forms.

Continuing Education Course Submission Form

1. Clarify the proposed date of offering.
2. Add fee information and state that the fee is nonrefundable.
3. Move the second grouping of elements to a certification block indicating the course provider is certifying instructor qualifications, enhancement of a producer in providing insurance services and inclusion of a discussion of professional ethics where practicable.

1994 Montana Insurance Continuing Education Licensee Record Card

1. Add course title.
2. Delete instructor signature.
3. Add a place for carry over credits from previous year.
4. Color code resident and non-resident, if possible.
5. Insert in instruction sentence regarding the $25.00 fee.
6. Include the date of return.
7. Divide the three sections of the back page.
8. Move the address change section and make this section look separate from the rest of the document.
9. Insert the certification phrase: "I certify under penalty of law" for the student to verify course attendance.

Bolt asked if the words successfully completed should be included under courses completed.

Anderson asked if there needed to be a section for credit/life disability agents who don't sell $5,000.00 or more per year, where they would have to sign off that they are certifying that they met the definition of "incidental?" Nelson said it could be done on this form or on a separate form and will check into it. Arnold suggested a separate form.

It was decided to cancel the meeting scheduled for December 10, 1993. A conference call will be made, if needed. Bebee said the comments and answers for the final rules should be provided to the council. Bebee would like a conference call concerning the final rules. It was decided that an afternoon would be the best time for a conference call.

The meeting was adjourned at 4:15 p.m.

EXHIBIT 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - November 3, 1993

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Dave Jones 4600 25th Ave NE Salem, OR	State Farm	(503) 463-3738
Ron Ashabraner 2601 Broadway Helena	State Farm	(443 0694)
Vicky Andrus	Independent Insurance Agents of MT	442-1555
Bill Dibert 272 Meadow Dr. Helena MT 59601	MAEF	443-5716
Roger McGlenn	IIAM	442-9555
DEBBIE BERNEY 719 MTN. VIEW DR. BOZEMAN, MT 59715	PIA	586-1980
Charles E. Vernon 704 S. Main Kalispell, MT 59901	Citizens Title & Escrow MLTA	752 5388

Please print

EXHIBIT 2

BEFORE THE STATE AUDITOR AND COMMISSIONER OF INSURANCE
OF THE STATE OF MONTANA

In the matter of the adoption of new rules implementing a continuing education program for insurance producers and consultants	)))))	NOTICE OF PUBLIC HEARING

TO: All Interested Persons.

1. On November 29, 1993, at 2:00 o'clock p.m., MDT, a public hearing will be held in Room 13 of the Sam W. Mitchell Building, 125 Roberts Street, Helena, Montana. The hearing will be to consider the proposed adoption of new rules implementing a continuing education program for insurance producers and consultants, including standards for approval of courses of instruction, review of programs, qualifications of instructors, examination standards, standards for disciplining course providers, procedure for extending time for course completion and applicable fees.

2. The proposed new rules provide as follows:

RULE I SCOPE OF RULES (1) These rules apply to continuing education programs for insurance producers and consultants, and include course content, qualifications of instructors, instructional format, courses and materials, review and approval procedures, application forms and fees.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE II DEFINITIONS For the purposes of this sub-chapter, the following terms have the following meanings:

(1) "Accredited educational institution" means an institution of higher learning that is certified by its appropriate regional accrediting agency to meet that agency's prescribed standards.

(2) "Approved continuing education course" means any course, seminar or program of instruction that has been approved by the commissioner for presentation as part of the continuing education requirements for licensees.

(3) "Certificate of completion" means a document issued by the course provider to the licensee signifying satisfactory completion of a course and reflecting credit hours earned by the licensee.

(4) "Classroom setting" means a course format in which a body of students meet to study the same course materials under the direction of the same approved instructor.

(5) "Credit hour" means the value assigned to a course by the commissioner, upon review and approval of course materials and content outline.

(6) "Hour" means 60 minutes of time, of which at least 50 minutes must be of continuous instruction.

MAR No. 643

(7) "Incidental sale of credit life and disability insurance" means, for the purposes of determining which licensees must complete continuing education requirements, cumulative annual premiums for a calendar year sold in an amount less than $5000.00.

(8) "Licensee" means an individual required to be licensed under Title 33, chapter 17, parts 2, 4 or 5, MCA, except for those licensees involved in the incidental sale of credit life and disability insurance.

(9) "Proctor" means a person who monitors the attendance and conduct of course participants, but who does not participate in course presentations, activities or discussions or complete any required examinations.

(10) "Significant change" means a change in two or more of the following course elements:

(a) course goals or objectives;
(b) major course topic(s);
(c) course length;
(d) syllabus or course outline;
(e) teaching method; or
(f) examination method.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE III COURSE SUBMISSIONS (1) Submissions for approval of courses must include at least the following information:

(a) the name of the sponsoring organization;
(b) the title of the course;
(c) the proposed date(s) of offering;
(d) course goals and objectives;
(e) major course topic(s);
(f) course length;
(g) practical and academic experience of each faculty member to teach the subject assigned;
(h) how the course enhances the ability of a producer to provide insurance services to the public effectively;
(i) a discussion of the relationship of the subject matter to professional ethics;
(j) a list of other states that have approved the course and the credits granted the course in other states;
(k) a syllabus or course outline;
(l) a summary of each course outline element;
(m) method of instruction, such as classroom, correspondence, videotape, audiotape, teleconference, etc;
(n) method of administering examinations, if any;
(o) method of attendance verification;
(p) method of student record maintenance;
(q) instructor qualifications;
(r) a designated contact person; and
(s) a written explanation of test security measures.

(2) Requests for approval of courses must be filed with the commissioner no less than 60 days prior to the anticipated starting date of the course.

(3) Accredited university or college courses will be allowed 15 continuing education credits for each semester credit and 10 continuing education credits for each quarter credit.

(4) Charges for courses must be clearly disclosed to students before enrollment.

(a) If a course is cancelled for any reason, all charges are refundable in full, unless the refund policy is clearly defined in the enrollment application.

(b) In all instances, the charges must be refunded within 45 days of cancellation.

(c) In the event a course is postponed for any reason, students must be given the choice of attending the course at a later date or having their charges refunded in full. The charges must be refunded within 45 days of postponement unless the sponsor is notified that the student has chosen to participate in the postponed course.

(d) A sponsor may have a refund policy addressing a student's cancellation or failure to complete a course, as long as that policy is made clear to potential students.

(5) A course provider must provide proof of course completion to each course participant who successfully completes the approved course of study.

(6) Course providers who add qualified course instructors after a course is approved must submit the name(s) of those instructors to the commissioner prior to the course offering.

(7) A course provider may not schedule more than eight hours of class time in one day.

(8) Course approval is for a period of two years following the course approval date.

(9) Course providers must resubmit courses for new review and certification whenever significant changes in course content are made.

(10) Course submissions that substantially or entirely address the following general course topics may be approved for reduced credit hours:

(a) psychology;
(b) motivation;
(c) prospecting;
(d) supportive office skills;
(e) time management;
(f) agent recruiting;
(g) computer training or programming;
(h) computer science;
(i) required pre-license training; or
(j) securities, other than variable contracts.

(11) The number of credit hours assigned to a course will normally be based upon the classroom or contact time.

(12) Based on the evaluation of the course submitted, the number of credit hours assigned may, for some courses, be less than the total amount of time spent by the licensee in the course.

(13) No activity may be advertised as having been approved for credit until the sponsor receives written approval from the commissioner.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204, MCA

RULE IV QUALIFICATIONS FOR INSTRUCTORS (1) In order for a course to be approved, all involved instructors must meet the following qualifications:

(a) Hold a high school diploma or equivalent certificate; and

(b) Have experience in at least one of the following:

(i) Have three or more years of managerial, supervisory, technical, or teaching experience in the insurance lines the individual plans to teach; or

(ii) Have appropriate national designations; or

(iii) Have been approved on an exception basis by the commissioner.

(2) No person will be qualified as an instructor who:

(a) Has had an insurance producer's or consultant's license suspended or revoked in Montana or any other state; or

(b) At the time of submission, has any outstanding fines for insurance-related disciplinary offenses imposed by the commissioner or by any regulatory authority in any other state.

(3) The character of an instructor, based on such information as prior felony and administrative history, may be considered in deciding instructor qualifications.

(4) Licensees teaching or lecturing approved courses will be credited with two times the number of approved credit hours of courses they instruct.

(5) Proctors will not earn continuing education credit for their services.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE V EXAMINATIONS (1) Except as provided in (5) below, all courses must include an examination which requires a passing score to qualify for a certificate of completion.

(2) For each approved course, the sponsoring organization must maintain a pool of tests sufficient to maintain the integrity of the testing process.

(3) Examinations must be administered, monitored, graded, and the results recorded by the sponsoring organization.

(4) Completed tests will be retained by the sponsoring organization for a period of not less than 12 months and must not be returned to any licensee.

(5) Courses taught by an approved instructor in a classroom setting are exempted from the examination requirement.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204, MCA

RULE VI CERTIFICATION REQUIREMENTS FOR LICENSEES AND LIMIT ON CREDIT FOR COURSES REPEATED (1) Each licensee subject to these rules must file an appropriate certificate of completion and pay the required certification fee each year in the first six months of the calendar year for courses completed in the preceding year. Such certification must be submitted on a schedule established on forms supplied by the commissioner, and completed in their entirety.

(2) Producers and consultants may not earn credit for any courses repeated as either student or instructor within a 2-year period.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE VII EXTENSIONS OF TIME FOR COURSE COMPLETIONS

(1) A licensee may request an extension of the period for required credit hour completion prior to the annual filing deadline.

(2) Each request for an extension of time must be in writing and must include a narrative description of the reasons for the request and any available documentation to support the request.

(3) Upon a finding of good cause, the commissioner may extend the time for the licensee to complete the requirement.

(4) The licensee's licenses and appointments will remain in effect during the extension period.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 2-4-631 and 33-17-1205, MCA

RULE VIII NON-RESIDENT REQUIREMENTS (1) A non-resident licensee whose state of residence imposes continuing education requirements similar to those of Montana, may comply with Montana's continuing education requirement by submitting a completed compliance certification form and a letter of certification from the resident state confirming compliance in that state.

(2) Non-resident licensees from states that do not require continuing education must meet the requirements of this state.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE IX COURSE AUDIT (1) The commissioner or members of the commissioners staff may audit courses approved for the continuing education program on a no-fee basis and as a regular part of course review, with or without notice to the course provider.

(2) Course provider records must be made available to the commissioners staff for audit, at department request.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203, 33-17-1204 and 33-17-1205, MCA

RULE X SANCTIONS AGAINST COURSES AND COURSE PROVIDER SUSPENSION (1) Approval of a program may be revoked or placed under probationary approval if the commissioner determines that:

(a) The program teaching method or program content no longer meet the standards of these rules or have been significantly changed without approval of the commissioner; or

(b) The course provider certifies that an individual has completed a program in accordance with the standards established for certification or completion of the program, when in fact the individual has not done so; or

(c) Individuals who have satisfactorily completed the program in accordance with the standards established for certification or completion were not so certified by the program or instructor; or

(d) The instructor or sponsoring organization no longer meets the standards of these rules, has had a license revoked or placed under probationary approval, or lacks education or experience in the subject matter of the proposed courses.

(2) Reinstatement of a revoked or probationary approval may be made upon proof satisfactory that the conditions responsible for the revocation or probationary approval have been corrected and the provider is not otherwise disqualified.

(3) The commissioner reserves authority to issue a cease and desist order under 33-1-318, MCA, in appropriate urgent cases.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204 and 33-17-1205, MCA

RULE XI FEES SCHEDULE

(1) Licensees:

(a) Filing annual certification of course completion . . . . . $ 25.00

(b) Late renewal fee . . . . . $ 50.00

(2) Course providers:

(a) Submission of a course or program for review and initial biennial certification . . . . . $ 75.00

(b) A maximum submission fee of $1,500.00 may be charged a course provider during a biennium for initial review of courses.

(3) Accredited educational institutions are exempt from fee requirements for courses provided for credit.

(4) All fees are non-refundable.

AUTH: 33-1-313 and 33-12-1206, MCA
IMP: 33-2-708, MCA

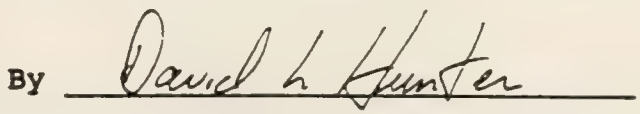
REASON: These rules are being proposed because they are needed to implement and finance the continuing education program for insurance producers and consultants created by Chapter 622, Laws of 1993. The rules are expressly authorized b sections 33-17-1206 and 33-2-708, MCA.

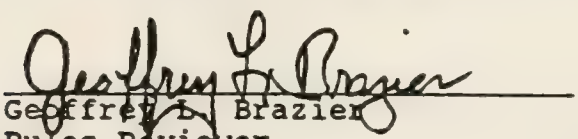
3. Interested persons may present their data, views, or arguments, either orally or in writing, at the hearing. Written data, views, or arguments may also be submitted to Frank Cote', Deputy Commissioner of Insurance, P.O. Box 4009, Helena, Montana 59604, and must be received no later than November 30, 1993.

4. The State Auditor will make reasonable accommodations for persons with disabilities who wish to participate at this public hearing. If you request an accommodation, please contact the State Auditor's Office not later than 5:00 p.m., November 22, 1993, and advise the office of the nature of the accommodation needed. Please contact Frank Cote', Deputy Commissioner of Insurance, P.O. Box 4009, Helena, Montana 59604; telephone (406) 444-2997; toll free dial 1 and then 800-332-6148; fax (406) 444-3497.

5. Geoffrey L. Brazier, 516 Harrison Avenue, Helena, Montana 59601, has been designated to preside over and conduct the hearing.

DAVID L. HUNTER
Deputy State Auditor

By 



Geoffrey L. Brazier
Rules Reviewer

Certified to the Secretary of State this 18th day of October, 1993.

EXHIBIT 3

CONTINUING EDUCATION PROGRAMS OF OTHER STATES

The following state laws and continuing education program requirements are substantially similar or exceed the standards proposed for Montana:

Arkansas	California	Colorado
Delaware	Florida	Georgia
Idaho	Illinois	Indiana
Iowa	Kentucky	Louisiana
Maine	Maryland	Massachusetts
Michigan	Minnesota	Mississippi
Missouri	Nebraska	Nevada
New Hampshire	New Jersey	New Mexico
North Carolina	North Dakota	Oregon
Puerto Rico	Rhode Island	South Carolina
South Dakota	Tennessee	Texas
Utah	Virginia	Washington
West Virginia	Wyoming	

The following state laws and continuing education program requirements are substantially less than the standards proposed for Montana:

Kansas -- has a continuing education requirement of 12 hours every two years for a single license, 24 hours annually for a combined license. One continuing education credit is equal to 50-60 minutes of classroom contact. Monitored examinations are required for all correspondence courses. Licensees who fail to meet the continuing education requirement may relicense by passing the examination for a new licensee. Carry over credits are not allowed. Instructor qualifications exceed those proposed for Montana.

Oklahoma -- has a continuing education requirement of 18 hours every 36 months. These 18 hours include a one hour ethics course each year. One continuing education credit is equal to 50-60 minutes of classroom contact. Six hours may be carried over from the preceding year. Instructor qualifications are similar to those proposed in Montana.

October 21, 1993

EXHIBIT 4

MONTANA INSURANCE CONTINUING EDUCATION COURSE SUBMISSION

Course Provider _____

Mailing address _____

_____

Phone Number _____

Course Title _____

Proposed date(s) of offering _____

Designated contact person _____

Method of instruction:
____ classroom
____ self-study
    ____ correspondence
    ____ videotape
    ____ audiotape
____ teleconference
____ other (specify) _____

____ course length in hours ____

Complete a form for each course submitted for review. Local reproduction of this form is encouraged.

Send the course submission with a check for $75.00 for each course to:

Montana Insurance Continuing Education Program
State Auditor's Office
P. O. Box 4009
Helena, Montana 59601

Requests for approval of courses must be received no less than 60 days prior to the starting date of the course.

(over)

Attach the following material.

____ the course goals and objectives
____ a syllabus or course outline, including a summary of each course topic

____ instructor qualifications, including the practical and academic experience of each faculty member to teach the subject
____ how the course enhances the ability of a producer to provide insurance services to the public effectively
____ a discussion of the relationship of the subject matter to professional ethics

____ method of administering examinations
____ a written explanation of test security measures
____ method of attendance verification
____ method of student record maintenance

____ a list of other states that have approved the course and the credits granted the course in those states

I certify that the information submitted regarding this course is true and correct. I understand that additional materials may be requested by the Montana Insurance Department as part of the course review and certification process.

Name (please print) Signature Title Date

1994 MONTANA INSURANCE CONTINUING EDUCATION LICENSEE RECORD CARD

NAME _____

LICENSE NUMBER(S) _____

SOCIAL SECURITY NUMBER _____

BUSINESS ADDRESS (City, State, Zip Code) _____

PHONE _____

Enter all of the information requested below for each approved insurance continuing education course completed during the reporting period.

COURSES COMPLETED

COURSE PROVIDER	COURSE NUMBER	CREDITS	DATE COMPLETED	INSTRUCTOR SIGNATURE

1994

MONTANA
INSURANCE CONTINUING EDUCATION

CERTIFICATE OF COMPLETION

Montana Insurance Law requires licensees to file any change of address with the department. Please make any address correction on the form below and submit this license amendment and the addtional $15.00 with the completed Insurance Continuing Education Certificate of Completion.

Former Address:

Street or P.O. Box	City	State	Zip Code

Current Business Address:

Street or P.O. Box	City	State	Zip Code

Residence Address:

Street or P.O. Box	City	State	Zip Code

I certify that accurate and that all courses listed were completed in full and all information on this document is true.

Signature	Print Name	License Number(s)	Date

Insurance Continuing Education Advisory Council
and Insurance Department
Responses to Public Comment on Proposed Administrative Rules

RULE I - SCOPE OF RULES

Public comment

No comments

RULE II - DEFINITIONS

Public comment

A. Strike the word "regional" in (1).

B. Standardize use of the term "sponsoring organization" in the rules.

C. Include a definition for the term "sponsoring organization"

D. Include a definition for the term "course provider"

E. (7) should be revised to state "Incidental sale of credit life and disability insurance" means, for the purposes of determining which licensees must complete continuing education requirements, such insurance that is incidental to other noninsurance activities of the licensee."

F. Increase in (7) "...the annual premiums for a calendar year..." to a level to reflect both the reality of the market place and legislative intent

G. Exclude in (7) those offering credit life and disability in connection with the credit transaction

H. Revise (9) to read "...monitors the attendance and conduct or the examination process for course participants,..."

I. Include a definition for the term "instructor"

J. Include a definition of "correspondence study"

Advisory Council response

A. The advisory council revised (1) to read "...certified by its appropriate accrediting agency to meet that agency's prescribed standard.

B. Replace the phrase "course provider" with the phrase "sponsoring organization" in the following rules: Rule III(5), (6), (7) and (9); Rule IX(2); Rule X(1)(b) and Rule XI(2)(b).

C. The advisory council recommended the department develop a definition for the phrase "sponsoring organization".

D. The advisory council recommended the department develop a definition for the phrase "course provider".

E. The advisory council did not review this written comment during the public hearing.

F. The advisory council did not review this written comment during the public hearing.

G. The advisory council did not review this written comment during the public hearing.

H. The advisory council revised (9) to read "...monitors the attendance and conduct or the examination process for course participants,..."

I. The advisory council did not review this written comment during the public hearing.

J. The advisory council did not review this written comment during the public hearing.

Department Response

C. "Sponsoring organization" means any group or organization that submits courses for department review and offers approved courses for continuing education credit to allow licensees to meet the requirements of 33-17-1203, MCA and is responsible for those course offerings.

D. The phrase "course provider" has been removed from the administrative rules.

E. The rule should remain as proposed. (Get Frank Coté's language for this response.)

F. The rule should remain as proposed. Previous insurance industry and advisory council direction indicate $5,000.00 is a reasonable "incidental" amount.

G. The rule should remain as proposed. The law clearly states in 33-17-1203(4)(f) that licensees selling only credit life and disability insurance must complete the continuing education requirements unless such sale is incidental to other noninsurance activities.

I. "Instructor" means an individual who meets the requirements set forth in Rule IV, is identified by a sponsoring organization in a course submission, participates in course presentations, activities and discussions and who may monitor the attendance and conduct of course participants or administer examinations.

J. "Correspondence study" means those independent study methods taught outside the classroom setting through approved text(s), audiovisual materials or other method of information exchange.

RULE III - COURSE SUBMISSIONS

Public comment

A. Remove items (1)(g) and (1)(q) from listing submitting every possible instuctor's personal qualifications is unnecessary.

B. Do not require submission of information identified under (1)(g), (1)(h) and (1)(i)

C. Clarify (1)(i)

D. Include these elements under (1):

1. No credit will be given for partial completion of course
2. A provider authorization agreement should be required if another provider is submitting a course that has already been submitted and approved by the publisher.
3. All new provider fees and application forms will be required from the second provider.

E. Revise (4)(c) to allow student participation in a future educational offering by the sponsoring organization

F. Include in (5) the time period during which a course provider must furnish a certificate to a student

G. Revise (11) to read "...contact time or the equivalent hours for a correspondence course."

Advisory Council response

A. The advisory council revised Rule III to read:
(1) The following standards, by which acceptability of submitted courses should be evaluated, must be certified by the sponsoring organization:

(a) the practical and academic experience of each faculty member to teach the subject assigned;

(b) how the course enhances the ability of a producer to provide insurance services to the public effectively; and

(c) how the subject matter relates to professional ethics, where practicable.

(2) Submissions for approval of courses must include at least the following information:

(a) the name of the sponsoring organization;
(b) the title of the course;
(c) the proposed date(s) of offering;
(d) course goals and objectives;
(e) major course topic(s);
(f) course length;
(g) a list of other states that have approved the course and the credits granted the course in other states;
(h) a syllabus or course outline;
(i) a summary of each course outline element;
(j) method of instruction, such as classroom, correspondence, videotape, audiotape, tele-conference, etc;
(k) method of administering examinations, if any;
(l) method of attendance verification;
(m) method of student record maintenance;
(n) instructors;
(o) a designated contact person; and
(p) a written explanation of test security measures and test administration methods.

Renumber all subsequent subsections.

B. The advisory council response under A. resolves this concern.

C. The advisory council response under A. resolves this concern.

D. The advisory council did not review this written comment during the public hearing.

E. The advisory council revised (4)(c) to read "...must be given the choice of attending a course at a later date..." and "...is notified that the student has chosen to participate in a course."

F. The advisory council did not review this written comment during the public hearing.

G. The advisory council revised (11) to read "...the classroom or contact time, or the equivalent hours for a correspondence course."

Department Response

A. The law states under 33-17-1204 that instructors must be approved and periodically reviewed by the commissioner. The requirement for a sponsoring organization to provide a list of course instructors as part of a course submission allows the commissioner to fulfill this responsibility.

D. 1. Rule X(1)(b) addresses this concern.
2. It is not the role of the advisory council or the commissioner to review or enforce such contracts.
3. Each sponsoring organization must submit required course materials and fees prior to course offering.

F. Revise (5) to read "...the approved course of study within on month of course completion or prior to the end of the calendar year during which the participant completed the course."

RULE IV - QUALIFICATIONS FOR INSTRUCTORS

Public comment

No comments.

RULE V - EXAMINATIONS

Public comment

A. Specify passing score percentile
B. Identify allowable number of examination repetitions allowable
C. Include prefiling of or submission of all examinations to the department
D. Include level of exam rigor
E. Include a requirement for a notarized affidavit in (3)
F. Define "monitored examination"
G. Include this element:

> The provider of a correspondence course shall not provide the student or anyone else with the answers to the questions on the course final examination prior to or after the student takes the examination. After grading the examination, the provider may only inform the student of the percentage score obtained or the number of correct and incorrect answers, and the subject area(s) in which the student needs additional study. The provider may not reveal to the student or to anyone else the specific question(s) which the student answered correctly or incorrectly.

Advisory Council response

A. Sponsoring organizations must provide this information as part of the course submission.

B. Sponsoring organizations must provide this information as part of the course submission.

C. The commissioner may request examinations for review under 33-17-1204(2), MCA.

D. Sponsoring organizations must provide this information as part of the course submission.

E. Sponsoring organizations must certify this information as part of the course submission.

F. Sponsoring organizations must provide this information as part of the course submission.

G. Sponsoring organizations may provide this information as part of the course submission.

RULE VI - CERTIFICATION REQUIREMENTS FOR LICENSEES AND LIMIT ON CREDIT FOR COURSES COMPLETED

Public comment

A. Amend the second sentence of (1) to read "...on forms supplied or approved by the commissioner,..."

Advisory Council response

A. Revise the second sentence of (1) to read "...on forms supplied or approved by the commissioner,..."

RULE VII - EXTENSIONS OF TIME FOR COURSE COMPLETIONS

Public comment

No comments.

RULE VIII - NON-RESIDENT REQUIREMENTS

Public comment

A. In (1), the phrase "...completed compliance certification and a letter of certification..." is redundant and unnecessary.

Advisory Council response

A. The advisory council did not review this written comment during the public hearing.

Department Response

A. Replace "...and a letter of certification..." with "...or a letter of certification...".

RULE IX - COURSE AUDIT

Public comment

No comments.

RULE X - SANCTIONS AGAINST COURSES AND COURSE PROVIDER SUSPENSION

Public comment

No comments.

RULE XI - FEES SCHEDULE

Public comment

A. Reduce fee level in (2)(b) to $1,000 during a biennium

B. Revise (3) to prevent university-employed educators from being in competition with themselves when teaching similar courses for private sector organizations.

Advisory Council response

A. The advisory council determined the fee level in (2)(b) is reasonable. The fee will be reviewed at the end of the biennium and reduced, as necessary.

B. The advisory council revised (3) to read "...provided for academic credit."

BEFORE THE STATE AUDITOR AND COMMISSIONER OF INSURANCE
OF THE STATE OF MONTANA

In the matter of the adoption of new rules implementing a continuing education program for insurance producers and consultants	)))))	NOTICE OF PUBLIC HEARING

TO: All Interested Persons.

1. On November 29, 1993, at 2:00 o'clock p.m., MDT, a public hearing will be held in Room 13 of the Sam W. Mitchell Building, 125 Roberts Street, Helena, Montana. The hearing will be to consider the proposed adoption of new rules implementing a continuing education program for insurance producers and consultants, including standards for approval of courses of instruction, review of programs, qualifications of instructors, examination standards, standards for disciplining course providers, procedure for extending time for course completion and applicable fees.

2. The proposed new rules provide as follows:

RULE I SCOPE OF RULES (1) These rules apply to continuing education programs for insurance producers and consultants, and include course content, qualifications of instructors, instructional format, courses and materials, review and approval procedures, application forms and fees.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE II DEFINITIONS For the purposes of this sub-chapter, the following terms have the following meanings:

(1) "Accredited educational institution" means an institution of higher learning that is certified by its appropriate regional accrediting agency to meet that agency's prescribed standards.

(2) "Approved continuing education course" means any course, seminar or program of instruction that has been approved by the commissioner for presentation as part of the continuing education requirements for licensees.

(3) "Certificate of completion" means a document issued by the course provider to the licensee signifying satisfactory completion of a course and reflecting credit hours earned by the licensee.

(4) "Classroom setting" means a course format in which a body of students meet to study the same course materials under the direction of the same approved instructor.

(5) "Credit hour" means the value assigned to a course by the commissioner, upon review and approval of course materials and content outline.

(6) "Hour" means 60 minutes of time, of which at least 50 minutes must be of continuous instruction.

MAR No. 643

(7) "Incidental sale of credit life and disability insurance" means, for the purposes of determining which licensees must complete continuing education requirements, cumulative annual premiums for a calendar year sold in an amount less than $5000.00.

(8) "Licensee" means an individual required to be licensed under Title 33, chapter 17, parts 2, 4 or 5, MCA, except for those licensees involved in the incidental sale of credit life and disability insurance.

(9) "Proctor" means a person who monitors the attendance and conduct of course participants, but who does not participate in course presentations, activities or discussions or complete any required examinations.

(10) "Significant change" means a change in two or more of the following course elements:

(a) course goals or objectives;
(b) major course topic(s);
(c) course length;
(d) syllabus or course outline;
(e) teaching method; or
(f) examination method.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE III COURSE SUBMISSIONS (1) Submissions for approval of courses must include at least the following information:

(a) the name of the sponsoring organization;
(b) the title of the course;
(c) the proposed date(s) of offering;
(d) course goals and objectives;
(e) major course topic(s);
(f) course length;
(g) practical and academic experience of each faculty member to teach the subject assigned;
(h) how the course enhances the ability of a producer to provide insurance services to the public effectively;
(i) a discussion of the relationship of the subject matter to professional ethics;
(j) a list of other states that have approved the course and the credits granted the course in other states;
(k) a syllabus or course outline;
(l) a summary of each course outline element;
(m) method of instruction, such as classroom, correspondence, videotape, audiotape, teleconference, etc;
(n) method of administering examinations, if any;
(o) method of attendance verification;
(p) method of student record maintenance;
(q) instructor qualifications;
(r) a designated contact person; and
(s) a written explanation of test security measures.

(2) Requests for approval of courses must be filed with the commissioner no less than 60 days prior to the anticipated starting date of the course.

(3) Accredited university or college courses will be allowed 15 continuing education credits for each semester credit and 10 continuing education credits for each quarter credit.

(4) Charges for courses must be clearly disclosed to students before enrollment.

(a) If a course is cancelled for any reason, all charges are refundable in full, unless the refund policy is clearly defined in the enrollment application.

(b) In all instances, the charges must be refunded within 45 days of cancellation.

(c) In the event a course is postponed for any reason, students must be given the choice of attending the course at a later date or having their charges refunded in full. The charges must be refunded within 45 days of postponement unless the sponsor is notified that the student has chosen to participate in the postponed course.

(d) A sponsor may have a refund policy addressing a student's cancellation or failure to complete a course, as long as that policy is made clear to potential students.

(5) A course provider must provide proof of course completion to each course participant who successfully completes the approved course of study.

(6) Course providers who add qualified course instructors after a course is approved must submit the name(s) of those instructors to the commissioner prior to the course offering.

(7) A course provider may not schedule more than eight hours of class time in one day.

(8) Course approval is for a period of two years following the course approval date.

(9) Course providers must resubmit courses for new review and certification whenever significant changes in course content are made.

(10) Course submissions that substantially or entirely address the following general course topics may be approved for reduced credit hours:

(a) psychology;
(b) motivation;
(c) prospecting;
(d) supportive office skills;
(e) time management;
(f) agent recruiting;
(g) computer training or programming;
(h) computer science;
(i) required pre-license training; or
(j) securities, other than variable contracts.

(11) The number of credit hours assigned to a course will normally be based upon the classroom or contact time.

(12) Based on the evaluation of the course submitted, the number of credit hours assigned may, for some courses, be less than the total amount of time spent by the licensee in the course.

(13) No activity may be advertised as having been approved for credit until the sponsor receives written approval from the commissioner.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204, MCA

RULE IV QUALIFICATIONS FOR INSTRUCTORS (1) In order for a course to be approved, all involved instructors must meet the following qualifications:

(a) Hold a high school diploma or equivalent certificate; and

(b) Have experience in at least one of the following:

(i) Have three or more years of managerial, supervisory, technical, or teaching experience in the insurance lines the individual plans to teach; or

(ii) Have appropriate national designations; or

(iii) Have been approved on an exception basis by the commissioner.

(2) No person will be qualified as an instructor who:

(a) Has had an insurance producer's or consultant's license suspended or revoked in Montana or any other state; or

(b) At the time of submission, has any outstanding fines for insurance-related disciplinary offenses imposed by the commissioner or by any regulatory authority in any other state.

(3) The character of an instructor, based on such information as prior felony and administrative history, may be considered in deciding instructor qualifications.

(4) Licensees teaching or lecturing approved courses will be credited with two times the number of approved credit hours of courses they instruct.

(5) Proctors will not earn continuing education credit for their services.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE V EXAMINATIONS (1) Except as provided in (5) below, all courses must include an examination which requires a passing score to qualify for a certificate of completion.

(2) For each approved course, the sponsoring organization must maintain a pool of tests sufficient to maintain the integrity of the testing process.

(3) Examinations must be administered, monitored, graded, and the results recorded by the sponsoring organization.

(4) Completed tests will be retained by the sponsoring organization for a period of not less than 12 months and must not be returned to any licensee.

(5) Courses taught by an approved instructor in a classroom setting are exempted from the examination requirement.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204, MCA

RULE VI CERTIFICATION REQUIREMENTS FOR LICENSEES AND LIMIT ON CREDIT FOR COURSES REPEATED (1) Each licensee subject to these rules must file an appropriate certificate of completion and pay the required certification fee each year in the first six months of the calendar year for courses completed in the preceding year. Such certification must be submitted on a schedule established on forms supplied by the commissioner, and completed in their entirety.

(2) Producers and consultants may not earn credit for any courses repeated as either student or instructor within a 2-year period.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE VII EXTENSIONS OF TIME FOR COURSE COMPLETIONS

(1) A licensee may request an extension of the period for required credit hour completion prior to the annual filing deadline.

(2) Each request for an extension of time must be in writing and must include a narrative description of the reasons for the request and any available documentation to support the request.

(3) Upon a finding of good cause, the commissioner may extend the time for the licensee to complete the requirement.

(4) The licensee's licenses and appointments will remain in effect during the extension period.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 2-4-631 and 33-17-1205, MCA

RULE VIII NON-RESIDENT REQUIREMENTS (1) A non-resident licensee whose state of residence imposes continuing education requirements similar to those of Montana, may comply with Montana's continuing education requirement by submitting a completed compliance certification form and a letter of certification from the resident state confirming compliance in that state.

(2) Non-resident licensees from states that do not require continuing education must meet the requirements of this state.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE IX COURSE AUDIT (1) The commissioner or members of the commissioners staff may audit courses approved for the continuing education program on a no-fee basis and as a regular part of course review, with or without notice to the course provider.

(2) Course provider records must be made available to the commissioners staff for audit, at department request.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203, 33-17-1204 and 33-17-1205, MCA

RULE X SANCTIONS AGAINST COURSES AND COURSE PROVIDER SUSPENSION (1) Approval of a program may be revoked or placed under probationary approval if the commissioner determines that:

(a) The program teaching method or program content no longer meet the standards of these rules or have been significantly changed without approval of the commissioner; or

(b) The course provider certifies that an individual has completed a program in accordance with the standards established for certification or completion of the program, when in fact the individual has not done so; or

(c) Individuals who have satisfactorily completed the program in accordance with the standards established for certification or completion were not so certified by the program or instructor; or

(d) The instructor or sponsoring organization no longer meets the standards of these rules, has had a license revoked or placed under probationary approval, or lacks education or experience in the subject matter of the proposed courses.

(2) Reinstatement of a revoked or probationary approval may be made upon proof satisfactory that the conditions responsible for the revocation or probationary approval have been corrected and the provider is not otherwise disqualified.

(3) The commissioner reserves authority to issue a cease and desist order under 33-1-318, MCA, in appropriate urgent cases.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204 and 33-17-1205, MCA

RULE XI FEES SCHEDULE

(1) Licensees:

(a) Filing annual certification of course completion . . . . . $ 25.00

(b) Late renewal fee . . . . . $ 50.00

(2) Course providers:

(a) Submission of a course or program for review and initial biennial certification . . . . . $ 75.00

(b) A maximum submission fee of $1,500.00 may be charged a course provider during a biennium for initial review of courses.

(3) Accredited educational institutions are exempt from fee requirements for courses provided for credit.

(4) All fees are non-refundable.

AUTH: 33-1-313 and 33-12-1206, MCA
IMP: 33-2-708, MCA

REASON: These rules are being proposed because they are needed to implement and finance the continuing education program for insurance producers and consultants created by Chapter 622, Laws of 1993. The rules are expressly authorized b sections 33-17-1206 and 33-2-708, MCA.

3. Interested persons may present their data, views, or arguments, either orally or in writing, at the hearing. Written data, views, or arguments may also be submitted to Frank Cote', Deputy Commissioner of Insurance, P.O. Box 4009, Helena, Montana 59604, and must be received no later than November 30, 1993.

4. The State Auditor will make reasonable accommodations for persons with disabilities who wish to participate at this public hearing. If you request an accommodation, please contact the State Auditor's Office not later than 5:00 p.m., November 22, 1993, and advise the office of the nature of the accommodation needed. Please contact Frank Cote', Deputy Commissioner of Insurance, P.O. Box 4009, Helena, Montana 59604; telephone (406) 444-2997; toll free dial 1 and then 800-332-6148; fax (406) 444-3497.

5. Geoffrey L. Brazier, 516 Harrison Avenue, Helena, Montana 59601, has been designated to preside over and conduct the hearing.

DAVID L. HUNTER
Deputy State Auditor

By David L. Hunter

Geoffrey L. Brazier
Rules Reviewer

Certified to the Secretary of State this 18th day of October, 1993.

BEFORE THE STATE AUDITOR AND COMMISSIONER OF INSURANCE
OF THE STATE OF MONTANA

In the matter of the adoption of new rules for the administration and enforcement of laws regulating standards for companies considered to be in hazardous financial condition, regulating annual audited reports, regulating life and health reinsurance agreements, regulating reports by holding company systems, establishing accounting practices and procedures to be used in annual statements, regulating credit for reinsurance, including letters of credit, and establishing standards for valuation of insurer securities and other invested assets	)	NOTICE OF ADOPTION

TO: All Interested Persons:

On August 12, 1993, the state auditor and commissioner of insurance of the state of Montana published notice of public hearing with respect to the proposed adoption of new rules for the administration and enforcement of laws regulating standards for companies considered to be in hazardous financial condition, regulating annual audited reports, regulating life and health reinsurance agreements, regulating reports by holding company systems, establishing accounting practices and procedures to be used in annual statements, regulating credit for reinsurance, including letters of credit, and establishing standards for valuation of insurer securities and other invested assets. The notice was published at page 1726 of the 1993 Montana Administrative Register, issue number 15.

1. The agency has assigned the following rule numbers to the rules proposed for adoption:

Rules I through IV, regarding companies considered to be in hazardous financial condition, will be numbered 6.6.3401 through 6.6.3404.

Rules V through XVIII, regarding annual audited reports and establishing accounting practices and procedures to be used in annual statements, will be numbered 6.6.3501 through 6.6.3514.

Rules XIX through XXII, regulating life and health reinsurance agreements, will be numbered 6.6.3601 through 6.6.3604.

Rules XXIII through XXXVIII, regarding reporting by holding company systems, will be numbered 6.6.3701 through 6.6.3716.

Rules XXXIX through XXXXVII, regarding credit for reinsurance will be numbered, 6.6.3801 through 6.6.3809.

Rules XXXXVIII through LIV, regarding letters of credit used in reduction of liability for reinsurance ceded, will be numbered 6.6.3901 through 6.6.3907.

Rule LV, regarding valuation of securities other than those specifically referred to in statutes, will be numbered 6.6.4001.

2. With the exception of 6.6.3404, 6.6.3506, and 6.6.3510, the agency has adopted the new rules as proposed.

3. The agency has adopted 6.6.3404, 6.6.3506, and 6.6.3510 as proposed, but with the following changes (material stricken is interlined; new matter added is underlined):

Rule IV (6.6.3404) ADMINISTRATIVE REMEDIES AVAILABLE TO INSURERS (1) Any health service corporation subject to an order under ARM 6.6.3403 may request a hearing pursuant to 33-30-112, MCA.

(2~~1~~) Any other insurer subject to an order under ARM 6.6.3403 may request a hearing or appeal from the order pursuant to 33-2-1321, MCA.

AUTH: 33-1-313, 33-2-1321, and 33-2-1517, MCA

IMP: 33-2-1321, ~~and~~ 33-2-1517, and 33-30-112, MCA

Rule X (6.6.3506) QUALIFICATIONS OF INDEPENDENT CERTIFIED PUBLIC ACCOUNT Subsections (1) and (2) remain the same.

(3) Following the effective date of these rules, ~~N~~no partner or other ~~person~~member of a firm responsible for rendering a report may act in that capacity for more than 7 consecutive years. Following any period of service such person shall be disqualified from acting in that or a similar capacity for the same company or its insurance subsidiaries or affiliates for a period of 2 consecutive years. This does not preclude other partners or members of any accounting firm from succeeding to the responsibility for rendering reports. An insurer may make application to the commissioner for relief from the above rotation requirement on the basis of unusual circumstances. The commissioner may consider the following factors in determining whether relief should be granted:

(a) Number of partners, expertise of the partners or the number of insurance clients in the currently registered firm;

(b) Premium volume of the insurer; and

(c) Number of jurisdictions in which the insurer transacts business.

Subsections (4) and (5) remain the same.

AUTH: 33-1-313 and 33-2-1517, MCA IMP: 33-1-701 and 33-2-1517, MCA

RULE XIV (6.6.3510) REPORT ON SIGNIFICANT DEFICIENCIES IN INTERNAL CONTROLS (1) In addition to the annual audited financial statements, each insurer shall furnish the commissioner with a written report prepared by the accountant, describing significant deficiencies in the insurer's internal control structure noted by the accountant during the audit, in accordance with SAS No. 60, "Communication of Internal Control Structure Matters Noted in an Audit" (AU section 325 of the professional standards of the AICPA, which requires an accountant to communicate significant deficiencies (called "reportable conditions") noted during a financial statement audit to the appropriate parties within an entity. No report should be issued if the accountant does not identify significant deficiencies. If significant deficiencies are noted, the written report must be filed annually by the insurer with the department within ~~10~~60 days after the filing of the annual audited financial statements. The insurer shall provide a description of remedial actions taken or proposed to correct significant deficiencies, if such actions are not described in the accountant's report.

AUTH: 33-1-313 and 33-2-1517, MCA IMP: 33-2-1517, MCA

4. A public hearing on the proposed rules was held on September 3, 1993. Four interested persons attended the hearing, one of whom presented views on some of the proposed rules. No written data, views or arguments with respect to the proposed rules were received within the time allotted or at all. The agency has fully and thoroughly considered submissions received respecting the proposed rules and responds thereto as follows:

COMMENT:
Health service corporations are regulated under a separate chapter of the Montana Insurance Code, so the administrative remedies mentioned in proposed Rule IV (ARM 6.6.3404) do not apply. The rule should be revised to recognize administrative remedies available to health service corporations, as well as other insurers.

RESPONSE:
The agency agrees and revises the rule accordingly.

COMMENT:
There are a limited number of CPAs and CPA firms headquartered in Montana that have the knowledge, resources, and ability to provide the audit services contemplated by the proposed rules and there is a possibility that local insurers

will have to hire the services of foreign CPAs, depending on how the rules as proposed are applied. Rule X(3) (ARM 6.6.3506) should be revised to clarify whether it precludes a member of the same firm from succeeding the CPA that is disqualified due to years of service. The proposed rule also should be revised to clarify when the 7 year disqualification period begins to run.

RESPONSE:
The rule as proposed contemplates applications to the commissioner for relief from rotation requirements. Rule XVII (ARM 6.6.3513) also allows for exemption from compliance with audited report rules. Furthermore, it could be argued that the phraseology "no partner or other person responsible for rendering a report may act in that capacity for more than 7 consecutive years" implies that a different partner or other person within the firm could succeed to the function.

However, the fact that the question was raised is evidence of ambiguity. The better approach would be to try to remove the ambiguity. Accordingly, the rule is revised for that purpose.

COMMENT:
The 10 day period for notification of significant deficiencies provided in Rule XIV (ARM 6.6.3510) is not only unrealistically short but appears to be in contradiction of the NAIC model rule, which provides a 60 day period. This may be a typographic error.

RESPONSE:
Review of agency records reveals that there was indeed an earlier error in the drafting process which was not recognized until now. The comment is well taken and the rule is revised accordingly.

MARK O'KEEFE, State Auditor
and Commissioner of Insurance

By _____

_____
Geoffrey L. Brazier
Rules Reviewer

Certified to the Secretary of State this 4th day of October, 1993.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

October 6, 1993 Meeting
State Capitol Building -- Room 402

Call to Order	10:00
Approval of Minutes Mark Nelson	
Insurance Continuing Education Budget Overview David Hunter	10:15
Presentation of draft administrative rules Staff	10:45
Lunch	12:00
Public Comment on draft administrative rules	1:15
Discussion and revision of draft administrative rules	2:00
Break	3:30
Revision of draft administrative rules Council direction to staff	3:45
Adjourn	5:00
Administrative Details - Travel Vouchers	5:15

October 5, 1993

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

October 6, 1993 Meeting
State Capitol Building -- Room 402

Call to Order 10:00

* Thank you for being here
* Explain that Robin Boon will not be present - auto accident last Friday, hospitalized in Kalispell, broken pelvis and tailbone. Staff will arrange for a video link for the next meeting so she may participate.
* Introduce staff
  - David Hunter, Deputy State Auditor
  - Rosalie Hasenohrl, licensing specialist
* Thank audience members for their attendance.
* Tell them their comments are appreciated, but to facilitate the meeting, please hold questions and comments until the public comment period

Approval of Minutes

* Ask members to take a few minutes to review the minutes from the last meeting.
* Ask if the council if there are any additions or corrections.
* Direct staff to make any noted corrections.
* Thank Ms. Peterson for her fine work!
* Ask the council to approve the minutes (as revised)

Insurance Continuing Education Budget Overview 10:15

* The council requested additional information on the continuing education program budget. Mr. Hunter is prepared to answer your questions and concerns (Dazzle you with brilliance and baffle you with bull!)
* Invite Hunter to the table
* Copies of the fiscal note are available

Presentation of draft administrative rules 10:45

* The council asked staff to prepare recommendations on administrative rules.
* Direct them to the draft administrative rules in handouts
* Tell council copies of Senate Bill 354 as codified are in their packets
* Ask council to hold questions
* Ask staff to present the draft administrative rules

October 5, 1993

Lunch 12:00

* Ask every one to return promptly

Public Comment on draft administrative rules 1:15

* Ask for comments from the floor
* Request speakers to state their name and the organization they represent

Discussion and revision of draft administrative rules 2:00

* Direct discussion from the beginning of draft rules
* Ask if there are any questions, comments or concerns on the first section, etc

Break 3:30

Revision of draft administrative rules 3:45

Council direction to staff

* Ask staff to prepare revisions

Adjourn 5:00

Administrative Details - Travel Vouchers 5:15

October 5, 1993

Insurance Continuing Education Advisory Council

Minutes

October 6, 1993

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The Insurance Continuing Education Advisory Council meeting was called to order at 10:00 a.m. in Room 402 of the State Capitol Building.

Members Present

Mark Nelson, Insurance Department Non-Voting Member
Ted Clark, Public Member
John Bebee, Unaffiliated Insurance Agent Member
Steve Bahls, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member

Members Absent

Robin Boon, Independent Insurance Agents of Montana Member

Staff Present

David Hunter, Deputy State Auditor
Mary Arnold, Continuing Education Program Coordinator
Rosalie Hasenohrl, Licensing Clerk
Tammy Peterson, Recording Secretary

A list of other parties present is attached as Exhibit 1.

The council members reviewed and approved the minutes.

Nelson introduced Deputy State Auditor Hunter and asked him to discuss the continuing education program budget.

Insurance Continuing Education Budget Overview

Hunter presented the following projected revenue table.

	FY 94	FY95	FY96	FY97
# of Course Providers (biennial) @ $150/ course	400 $ 60,000	200 $ 30,000	200 $ 30,000	200 $ 30,000
# of Renewal Fees @ $50/course fee	0	0	300 $ 15,000	150 $ 7,500
# of Producers 8,000* @ $25 fee/year	0	6,400 $160,000	3,200 $ 80,000	6,400 $160,000
TOTAL	$ 60,000	$190,000	$125,000	$197,500
Expenses	$115,000	$ 99,000	$100,000	$100,000

(* probably only 80% of this figure, 20% may give up their license)

Hunter explained that based on the survey that Arnold sent out, the figures for providers are low in the fiscal note and that the figures used above are more reasonable.

The presumption that the staff operated on was that it would be better off doing this as a two-year certification, giving courses a little more scrutiny than as opposed to doing it every year. Charging a biennial fee is not set as of yet. Hunter explained that was something the committee needed to discuss.

The number of producers submitting fees in FY 94 is zero, because course requirement starts in calendar year 1994. Certification is submitted to the State Auditor's Office starting January 1, 1995. That is why all the revenue shows up being in FY 95. The fiscal note states that we anticipate a $25.00 fee.

Hunter stated that the presumption is that once continuing education is required some people who hold licenses and are not active will choose to give up that license rather than meet the continuing education requirements.

Hunter identified the operational problems of the budget. The first is having licensees renew throughout the year, instead of

only in the first six months of FY 95. If the above numbers work, the total revenue of FY 94 will not be enough and there will be too much revenue in FY 95. Those funds can be borrowed between the two fiscal years in a biennium. Revenues need to match expenditures over the biennium. We will probably need to reduce fees by FY 97, because there will be too much revenue. If the council decides there should be a cap on the fees for courses, then a $100 course submission fee would be too small. There needs to be a reasonable fee schedule set.

Bolt asked if the 8,000 producers were only resident agents. Nelson replied that it was both resident and non-resident.

Hunter said the question before the committee is should there be a cap, as there is in other states, on the fees for course submissions.

Leenknecht asked Arnold if there were survey responses with multiple course offerings projected. Arnold replied that of the 70 responses they received of people offering courses, 25 of them indicated they would be offering more than 15 courses in the state. Approximately 1/3 of the courses were to be offered by that 20%.

Bebee asked if the providers that were surveyed were told what the fee would be for course submissions. Arnold replied that the letter sent with the survey indicated that the proposed fees were $150 per certification for the first two years and $50 for recertification.

Arnold stated that two of the professional associations in Montana responded, both of which indicated that they would be willing to offer courses, but said the fee amount was too high.

Hunter explained that a cap on fees at 15 courses would reduce revenue about 25%. A $100 course submission fee with a $1500 cap (no course provider pays any more than $1500 total, regardless of how many courses they provide) would be in the ball park for revenue.

Bolt asked if there was a better figure on producers. Hunter stated that there are some problems with the figures from the licensing data base. The insurance department is working to clean it up.

Mr. Jones stated he felt we were low on our provider numbers that Hunter showed. Arnold replied that the surrounding states; North Dakota, South Dakota, Wyoming, Idaho and Utah were polled regarding the number of course offerings they get annually. South Dakota that has a $25 fee receives 520. North Dakota gets just under 400. Idaho receives substantially larger number, but course providers are not tracked. Hunter stated he felt the 400 figure is somewhat conservative, but is better than going overboard.

Bolt asked what the revised number of providers was that have responded with courses they have indicated. Arnold replied they have sent out 504 surveys, 74 responded with 829 courses to be offered in the state.

Leenknecht asked if Arnold included individual insurance companies in the survey. Arnold said yes.

Clark asked if there are about 10 proposed course offerings on each survey response? Arnold said most course providers were going to offer 1-5 courses. 27 said they would offer 10 or more courses.

Presentation of draft administrative rules

Note: The pages and item numbers referred to in the following discussions refer to the document *Proposed Draft Administration Rules for Continuing Education, October 6, 1993*, attached as Exhibit 2

Arnold presented the staff recommendation on continuing education program administrative rules to the council. The rules need to be noticed on October 18, so the staff must prepare the final rules for notification.

DEFINITIONS

The definitions that were developed were based on the elements of those rules that needed additional clarification based on state law and on other administrative rules for insurance.

Arnold said there were three different suggestions in the comments received on a definition of "hour": 50 minutes, 55 minutes and one full hour of contact to make an hour. The staff chose a standard course contact hour of 50 minutes, which they felt was reasonable. Arnold said that several comments were received on the definition of "incidental sale of credit life and disability insurance" and the amount. Most comments indicated that it should be less than $5,000.

FEES

Staff removed the $10 fee for the offering changes in administrative rules and laws course cited in the law. That fee can be added.

Bolt asked when the State Auditor's Office was planning on adding the $10 fee for the course on changes in administrative rules. Arnold explained that they would not be offering that course at this time, because of the uncertainty of costs involved. Arnold reminded the council that they cannot recoup fees or salaries out of those expenses. Bebee said that private industry may offer that course.

Bebee asked how course fees would be monitored if a limited number of providers offer a course. If only one provider offers law and ethics and there are 8,000 people that have to take it, then that provider can charge over the normal costs. Nelson explained that this issue is covered further on in the rules.

COURSE SUBMISSIONS

(1)(a) gives course providers a lot of flexibility on submitting courses. It also allows a review period.

(4) prevents course providers from misrepresenting course certification status, as one course provider has already done. This will also ensure students do not attend course and expect to receive credit for it, when the course has not been approved.

(5) provides a method for the insurance producers of the state to recoup their fees from course providers should courses be cancelled. It also allows the course provider to include a cancellation policy in course registration materials.

QUALIFICATION FOR INSTRUCTIONS

These rule elements are based directly on recommendations from professional organizations in the state. (1)(c)(i), (ii) and (iii) are from the pre-licensing requirements.

EXAMINATIONS

Every comment that was received indicated that an examination was a necessary component of a continuing education course.

CERTIFICATION REQUIREMENTS FOR LICENSEES

The language in (1) is from 33-17-1205, MCA.

(2) is a compilation of discussion from the last meeting and written comments.

EXTENSIONS

The commissioner stated that leniency is going to be the watch word of the licensing department in implementing this program. Staff suggested the appeal date be changed from January 15 to within 90 days after being notified.

Nelson opened the floor for questions of Arnold by the council regarding the proposed administrative rules.

Bahls stated that the rules have no detailed criteria for approval of course content or criteria for approval of instructors.

Arnold said the course submission would include a form that requests specific information based on the course submission requirements. This allows review and revision of submission materials should the council realize a major piece of information should be added to submissions. This gives staff flexibility to meet the needs of the council and the needs of the course providers.

Bahls felt that it was possible to develop some general standards for approval.

Clark questioned the definition of "hour". He suggested ending the sentence at instruction and that 55 minutes of instruction would be appropriate.

Nelson explained to the council that changes to the draft would be entertained during the discussion and revision period after public comment.

Clark asked Arnold if there could be a course name submitted like English 101. How is the decision going to be made on revisions of courses?

Arnold stated that the methodology for tracking courses that is proposed is a key number that is related to the course provider, the topic and a number assigned to that individual course.

Bolt asked what would happen if someone took a course with the same course content. Arnold replied that if the council wants to prevent that, they can make that kind of limitation. It will create a tracking problem, but it can be handled. Bolt thought the intent was to not repeat the same course material year after year. Bebee stated it could be real bureaucracy trying to keep track of someone repeating courses. He said if a licensee was a professional they would try to take applicable courses. Nelson stated that if repeating courses became a problem, then the

council could address the issue. The content of the course should be indicated in the numbering system.

Leenknecht asked, regarding QUALIFICATIONS FOR INSTRUCTORS (2), if the one and one-half times the number of credit hours was for the three year non repeat period. Arnold replied that it was. That topic was addressed further on page 6, (2)(1).

Leenknecht asked, regarding EXAMINATIONS, if every course must include an examination. He explained that he attends video teleconferences that run three hours but do not provide examinations. He asked if examinations must be confined within the 50 minutes of the course. Arnold responded that whoever sponsors the teleconference submits it for course credit and they provide the course participant with an examination. Leenknecht said examinations on teleconferences needed to be addressed further in the drafting of the rules.

Bolt stated that his understanding of course testing was that in a classroom environment taking the test was adequate. There should not be a requirement to pass the test. Correspondence and self-study should have a requirement of passing a test.

Bahls asked if requiring courses in given areas of study was considered. Arnold said that was considered. The current requirement is that every other year a license holder in Montana must take a course in changes in insurance statutes and administrative rules. Bahls wanted to discuss it further in the afternoon.

Clark asked, regarding QUALIFICATIONS FOR INSTRUCTORS (1)(c), if this was spelled out in the state law and therefore redundant. Nelson said it is not spelled out in the state law. It was requested that an attorney be asked to look at this wording.

Clark asked, regarding QUALIFICATIONS FOR INSTRUCTORS (1)(a), if the instructor should have more than a high school diploma. Arnold replied that an insurance licensee is required to have a minimum of a high school diploma. To set this standard any higher could eliminate some of our insurance producers from being

educators. Clark asked if there was any room for improvement. Nelson stated that the purpose of this course and the pre-licensing course is to move towards professionalism.

Clark asked if there is a way of verifying that a person stayed for the full class. Arnold replied that the rules should include that element. Bolt stated the procedure could be part of course approval.

Bebee asked what monitored examination means on correspondence courses. Nelson explained that it means a proctored examination. Bebee asked if he was in a remote site would his secretary be able to monitor him. Arnold replied that earlier in the rules it is stated that the course provider has to indicate how a monitored exam would be provided.

Leenknecht asked if a set number of complaints must be made against a course provider before some kind of action is taken. Arnold explained that is the reason audit of courses was included, so complaints about course providers could be handled quickly.

Bebee asked if the appeal process was already laid out in statute. Nelson replied that it was.

Bahls wanted to know if any exceptions are given to a producer who suffers a health reversal for a year and is out of the country for an extended period of time. Arnold replied that is stated under the EXTENSION section of the proposed rules.

Bahls asked, regarding COURSE AUDIT (3), if records for audit will be made available in Helena. Arnold said the intent is for the course provider to provide the records at their expense, upon request.

The meeting was adjourned for lunch.

Public Comment on draft administrative rules

Jones suggested not tracking courses taken by agents. He also stated that in breaking down the hours of courses, most states do not break them down. Oregon looks at a percentage breakdown, 50% class time for property & casualty. The draft rules under QUALIFICATIONS FOR INSTRUCTORS (1)(b)(i) needs the word "or" at the end. QUALIFICATIONS FOR INSTRUCTORS (3), he stated that the participant may be the proctor. If so, will they receive credit if they are monitoring attendance?

Jones said a course should include an examination if it is not a classroom lecture. There needs to be accountability for instruction. He asked the difference between a credit and non-credit course. Nelson replied accredited or non-accredited by the university.

Jones said the figure of 6400 licensees is low. The bordering states have continuing education requirements. With reciprocity for each others hours, the $25 renewal fee is not going to stop licensees from continuing their license. He asked if most of the non-residents are in the surrounding states. Nelson asked Ms. Hasenohrl where the most non-residents licensees are resident. Hasenohrl replied that most are from the east coast and many are from Texas.

Larry Akey commented on behalf of the Montana Association of Life Underwriters. He made these suggestions:

1. A list of minimum requirements for course submissions.
2. The form for submission of courses should be incorporated, by reference, in the rules.
3. Substantive course change - submitted on a case by case basis -- needs to be defined.
4. Notice to the Commissioner that the instructor has changed.
5. Have "approval pending" language on course advertising.
6. Examinations are critical for self-study or correspondence courses, but classroom courses where verification of attendance is possible there is no need for examinations.

7. Some elements listed for no course credit are in conflict with 33-17-1204. It states management courses are acceptable.
8. Fees - Agents will always pay. Providers will pass along to the agents those fees that are set. High fees will discourage the providers from offering courses. Develop a fee structure where course provider fees are as low as possible, even if it means that the producers fees for certification have to come up.

Debbie Berney, executive director, Montana Association of Professional Insurance Agents asked what the date for biennial review of a course would be? Nelson replied that it had not been decided. She asked the council to refer to the written comments when revising the rules.

Vickey Anderson, director of education, Independent Insurance Agents of Montana, asked who is going to set the fees for course providers? As a course provider, they must define costs before they put on a course.

Anderson stated IIAM charges students a late registration fee. Will that be acceptable? IIAM is looking at charging a member course fee and a non-member course fee. She stated an on-site proctor should receive course credit. Anderson stated that an examination is critical for a self-study or correspondence course. There is no other way to have verification that the person completed the studies. Anderson said courses on agency management are a critical need. Anderson said that a per provider cap on the fees should be added to the rules.

Discussion and Revision of Draft Administrative Rules

Nelson stated how revising the draft rules would proceed. The council will go through each topic and make changes to the wording.

PURPOSE AND SCOPE

No change.

DEFINITIONS

(1)(a) Licensee - no change
(b) Accredited educational institution - no change
(c) Approved continuing education course - change wording from "requirements for agents" to requirements for licensees.
(d) Hour - remove the wording "with a maximum of ten minutes of break per hour".
(e) Credit hour - no change
(f) Certificate of completion - no change
(g) Incidental sale of credit life and disability insurance - should read "...an amount less than $5,000."

FEES SCHEDULE

Nelson asked the fee schedule should be tiered, capped, or some exceptions made and go from there.

(1)(a) and (b) Licensees - no change

A second review of revenue figures was requested. Hunter reviewed the table of revenue figures and projected changes in revenue based on a variety of assumptions.

(2) Course Providers

(a) The decision was to set course submission and review fees at $75.00, with a cap of $1500 per course provider per biennium. The association representatives present agreed to this fee level.

The council will have to revise the fee structure for FY 96 and FY 97.

(b) change to biennial review

The council discussed whether the university system should be exempt from the fee provisions.

(c) The decision was to leave the language as is and exempt the accredited educational institutions.

(3) No change.

COURSE SUBMISSIONS

The time frame for course certification was defined as 24 months or 2 years from the date of course approval.

Bahls said the rules should include standards for course submission and approval. Then course providers will have some idea of what they need to provide and acceptable course. Bahls said there are three important areas: each faculty member should be qualified by practical or academic experience to teach the subject; each course should enhance the ability of the student; and all activities should include a discussion of the relationship of the subject matter to professional ethics. Bahls stated that he does not want to require a course on professionalism and professional ethics, but where practicable, the subject matter should include a discussion of professional ethics.

Nelson stated the following items should be included on course approval submissions - name of the sponsoring organization, title of the course, date of offering, course objective, major course topic, course length, other states that have adopted the course, type of course, teaching method, evaluation method, attendance verification, method of record maintenance, instructor information and a contact person. He suggested incorporating this list into COURSE SUBMISSION.

Johnson asked what was meant by record maintenance. Nelson stated it means how and where a course provider keeps records regarding courses.

It was decided to use the language that Bahls read and incorporate the list into COURSE SUBMISSION (1).

COURSE SUBMISSION (continued)

(2) Change language to "University or college credit courses will be evaluated as follows:..." tie the definition of accredited college into this section.
(a) no change
(b) delete

(3) Change the word "substantive" to "a significant or material" and delete the sentence "A change of instructor..."

(4) Add to the end of the sentence "pending approval."

(5) Delete "reasonable and"
(a) no change
(b) no change
(c) no change
(d) no change

(6) Add language from other states for provider fee.

COURSE AUDIT

(1) Delete

(2) Remove "attend or" and add "without notice to the sponsoring entity."

(3) no change

QUALIFICATIONS FOR INSTRUCTORS

(1) Change to read "an individual must be qualified by reason of training or experience. Individuals meeting the following criteria are presumed to be qualified:"
(a) After "diploma" add "or equivalent"
(b) no change
    (i) Add "or" after the semicolon.
    (ii) no change
    (iii) no change

(c) no change

(i) have attorneys change the wording to reflect concerns regarding legality of the current phrase.

(ii) no change

(iii) no change

(2) change "one and one-half" to "two" and change "credit hours" to "approved credit hours."

(3) add "unless they are an attendee or instructor" to the end of the sentence.

EXAMINATIONS

(1) After "All" add "self-study and correspondence". Delete "70%" replace with ",pass or fail,"

(a) no change

(b) no change

(c) no change

(d) no change

(2) Delete

CERTIFICATION REQUIREMENTS FOR LICENSEES

(1) no change

(2) change to read "Courses containing the following will not receive credit."

(a) delete

(e) delete

(i) delete

(j) change to read "variable contracts"

(l) change to read "2-year"

COURSE AND COURSE PROVIDER SUSPENSION

Change "suspended" throughout this section to read "suspended or revoked."

EXTENSIONS

(1) change the language of "by January 15" to read "within 90 days after they have been notified."
(2) no change
(3) no change

NON-RESIDENT REQUIREMENTS

(1) no change
(2) no change

Attendance verification will be included in the course submission packet sent to licensees.

The meeting was adjourned at 5:45 p.m.

EXHIBIT 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - October 6, 1993

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Bow Ashabraner	State Farm Ins 2601 Broadway Hele	443 0694
Dave Jones	State Farm	(503) 463-3733
4600 25th Ave. NE. Salem, OR 97313		
~~Tony M Leenknecht~~	~~MtAlu~~	~~259-4451~~
Vickey Anderson	Ind Ins Agts Assn	442-9555
Larry Akey	MtAlu	449-3080
Debbie Berney	PIA	

Please print

PROPOSED DRAFT ADMINISTRATION RULES FOR CONTINUING EDUCATION

PURPOSE AND SCOPE

(1) These rules apply to continuing education programs for insurance producers and consultants, including standards for the qualification of instructors, courses and materials, application forms and fees.

DEFINITIONS

(1) For the purposes of this subchapter, the following terms have the following meanings:

(a) "Licensee" means an individual required to be licensed as provided in Title 33, chapter 17, parts 2 or 5, MCA.

(b) "Accredited educational institution" means an institution of higher learning that is certified by its appropriate regional accrediting agency to meet the agency's prescribed standards.

(c) "Approved continuing education course" means any course, seminar or program of instruction that has been approved by the department for the purpose of complying with continuing education requirements for agents.

(d) "Hour" means sixty minutes of time, of which at least fifty minutes must be instruction, with a maximum of ten minutes of break per hour.

(e) "Credit hour" means the value assigned to a course by the commissioner, upon review and approval of course materials and content outline.

(i) The number of credit hours assigned to a course will normally be based upon the number of classroom contact hours or their equivalent.

(ii) Based on the evaluation of the course content, the number of credit hours assigned may be less than the total amount of time spent by the licensee in the course.

(f) "Certificate of completion" means a document signifying satisfactory completion of a course and reflecting credit hours earned by the licensee.

(g) "Incidental sale of credit life and disability insurance" means annual premiums sold in an amount ~~greater~~ less than $5000.

FEES SCHEDULE

(1) Licensees:

(a) Filing annual certification of course completion	$ 25
(b) Late renewal fee	$ 50

(2) Course Providers:

(a) Submission of courses and programs for review and initial certification	$150
(b) Biennial review and recertification fee	$ 50

(c) Accredited educational institutions are exempted from these fee provisions for courses they provide

(3) All fees are non-refundable.

COURSE SUBMISSIONS

(1) Requests for approval of courses, instructors, and sponsoring organizations must be submitted on forms approved by the commissioner of insurance.

(a) Requests for approval of courses must be submitted to the department no less than 60 days prior to the anticipated starting date of the course.

(2) University or college upper division credit or non-credit courses will be evaluated as follows:

(a) Credit courses: Each semester system credit hour equals 15 continuing education credits; each quarter system credit hour equals 10 continuing education credits;

(b) Non-credit courses: The number of continuing education credits will be determined by the Continuing Education Advisory Council established in 33-17-1204(2), MCA.

(3) A course provider must resubmit the course for new review and certification whenever substantive change in course content is made. A change of instructor for a currently approved course will not require recertification of the entire course, only approval of the instructor. Whether a change is substantive will be determined case-by-case by the Continuing Education Advisory Council.

(4) No activity may be advertised as having been approved for credit until the sponsor receives written notification from the commissioner of insurance.

(5) Fees for courses shall be reasonable and clearly identified to students.

(a) If a course is cancelled for any reason, all fees are refundable in full unless the refund policy is clearly defined in the enrollment application.

(b) In all instances, the fees must be refunded within 45 days of cancellation.

(c) In the event a course is postponed for any reason, students shall be given the choice of attending the course at a later date or having their fees refunded in full. The fees must be refunded within 45 days of postponement unless the student has notified the sponsor that he she has chosen to participate the postponed course.

(d) A sponsor may have a refund policy addressing a student's cancellation or failure to complete a course, as long as that policy is clear to potential students.

(6) Course providers must provide the commissioner of insurance with a 10-day advance notice of a certified course offering.

COURSE AUDIT

(1) State Auditor's Office Personnel may audit courses at no cost ~~with~~ or without notice to the sponsoring entity.

(~~2~~) The Auditor's Office staff may attend or audit courses certified by the continuing education program on a no-fee basis as a regular part of course review. with or without notice to the sponsoring entity.

(~~2~~) Course provider records must be available for audit, at department request.

QUALIFICATIONS FOR INSTRUCTORS

(1) To qualify for approval as an instructor, an individual must meet the following criteria:

(a) Hold a high school diploma; and

(b) Have acquired the following experience:
(i) Three or more years of managerial, supervisory, technical, or teaching experience in the insurance lines the individual plans to teach; OR

(ii) Appropriate national designations; or
(iii) Approved on an exception basis by the commissioner of insurance.

(c) No person may be qualified as an approved instructor who:
(i) Has been convicted of a felony; or
(ii) Has had an insurance producer's or consultant's license suspended or revoked in Montana or any other state; or
(iii) At the time of application, has any outstanding fines for insurance-related disciplinary offenses imposed by the commissioner of insurance in Montana or any other state.

(2) Licensees teaching or lecturing an approved course will qualify for one and one-half times the number of credit hours they instruct.

(3) Continuing education credit will not be granted to an on site proctor.

EXAMINATIONS

(1) All courses must include an examination which requires a score of 70% or better to qualify for a certificate of completion.

(a) For each approved course, the sponsoring organization must maintain a pool of tests sufficient to maintain the integrity of the testing process.

(b) A written explanation of test security and administration methods must accompany the course submission.

(c) The examinations must be administered, monitored, graded, and the results recorded by the sponsoring organization.

(d) Completed tests must be retained by the sponsoring organization for a period of not less than twelve (12) months and must not be returned to any licensee.

(2) Licensees renewing a national designation through an approved course are exempt from the requirement to pass an examination with a score of 70% or better, based upon successful renewal of such designation.

CERTIFICATION REQUIREMENTS FOR LICENSEES

(1) All licensees subject to this regulation shall file annually with the commissioner of insurance, a certificate of completion and the required filing fee. Such certification shall be on a form supplied by the commissioner, completed in its entirety, and containing such identifying information as is prescribed by the insurance commissioner.

(2) An agent may not take credit for a course on any of the following general subject matters:

(a) sales,
(b) motivation,
(c) prospecting,
(d) supportive office skill courses,
(e) personnel management,
(f) agent recruiting,
(g) computer training or programming,
(h) computer science,
(i) management services,
(j) securities other than variable ~~annuities~~ contracts,
(k) required pre-license training, or
(l) any course repeated as either student or instructor within a 3-year period.

COURSE AND COURSE PROVIDER SUSPENSION

(1) The certification of a program may be suspended if the commissioner of insurance determines that:

(a) The program teaching method ~~of~~ or program content no longer meet the standards of the ~~this~~ regulation, or have been significantly changed without notice to the commissioner for recertification; or

(b) The program certified to the commissioner that an individual had completed the program in accordance with the standards furnished for certification or completion of the program, when in fact the individual has not done so; or

(c) Individuals who have satisfactorily completed the program of study in accordance with the standards furnished for certification or completion were not so certified by the program or instructor; or

(d) The instructor or sponsoring organization is not qualified as per the standards of this regulation, has had and insurance license revoked, or lacks education or experience in the subject matter of the proposed courses.

(e) There is other good and just cause why certification should be suspended.

(2) Reinstatement of a suspended certification will be made upon the furnishing of proof satisfactory to the commissioner that the conditions responsible for the suspension have been corrected.

EXTENSIONS

(1) A licensee may appeal for relief to the commissioner of insurance by January 15 of the year immediately following the calendar year for which the minimum required credit hours were

not obtained. Upon a finding of reasonable cause, the commissioner may extend the time for the licensee to complete the requirement.

(2) Each request for extension of time must be in writing from the licensee and must include details and any documentation to support the request.

(3) The licensee's licenses and appointments shall remain in effect during the extension period.

NON-RESIDENT REQUIREMENTS

(1) Non-resident licensees whose state of residence requires continuing education may comply with Montana's continuing education requirement by submitting a compliance certification form provided by the commissioner of insurance and shall include a letter of certification from their resident state confirming compliance in that state.

(2) Those non-resident licensees from states not requiring continuing education must meet Montana's requirements the same as a Montana resident.

EXHIBIT 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - October 6, 1993

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
Bow Ashabraner	State Farm Ins 2601 Broadway Helena	443 0694
Dave Jones	State Farm	(93) 463-3733
4600 25th Ave. NE. Salem, OR 97313		
~~Tony M Leenkuecht~~	~~MTALU~~	~~259-4451~~
Vickey Anderson	Ind Ins Agt's Assn	442-1395
Larry Akey	MTALU	449-3080
Debbie Berney	PIA	

Please print

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL
AGENDA

September 8, 1993 Meeting
Director's Conference Room - Lee Metcalf (DNRC) Building

Welcome/Introductions	1:00
State Insurance Commissioner, Mark O'Keefe	
Overview of Senate Bill 354 - Panel discussion	1:20
Frank Cote/Larry Akey/Debbie Berney/Roger McGlenn	
Overview of Insurance continuing education nationwide	2:00
Mark Nelson	
Insurance licensees in Montana - a few facts	2:15
Mark Nelson	
Administrative Rule making process	2:20
Geoffrey Brazier	
Public Comment Period	2:45
Break	3:00
Review and adopt Advisory Council work plan	3:15
Set meeting dates through December 1993	
Council direction to staff	3:45
Discussion of draft administrative rule elements	
Adjourn	5:00
Administrative Details - Travel Vouchers	5:15

September 7, 1993

Insurance Continuing Education Advisory Council

Minutes

September 8, 1993

The following are summary minutes of the Insurance Continuing Education Advisory Council.

The meeting of the Insurance Continuing Education Advisory Council was called to order in the Director's Conference Room, Lee Metcalf Building (DNRC) at 1:00 p.m.

Members Present

Mark Nelson, Insurance Department Non-Voting Member
Ted Clark, Public Member
John Bebee, Unaffiliated Insurance Agent Member
Steve Bahls, Public Member
Tony Leenknecht, Montana Association of Life Underwriters Member
Bill Bolt, Professional Insurance Agents of Montana Member
Robin Boon, Independent Insurance Agents of Montana Member

Staff Present

Mark O'Keefe, Insurance Commissioner
Frank Coté, Deputy Insurance Commissioner
Sheila Kessler, Licensing Program Assistant
Tammy Peterson, Recording Secretary
David Gallik, Insurance Attorney
Mary Arnold, Continuing Education Program Coordinator
Geoffrey Brazier, Attorney

A list of other parties present is attached as Exhibit 1.

Each member provided a brief introduction.

Mark Nelson is the Administrator of the Licensing Division of the Insurance Department. Nelson is the non-voting member of the council representing the Insurance Department.

Ted Clark is a teacher from Billings, Montana and has taught for several decades.

John Bebee works for D. A. Davidson Trust Corporation. He was the Deputy Insurance Commissioner about 5 years ago and has experience in regulation.

Steve Bahls is a professor of the University of Montana, School of Law. He teaches Business Law, Principal and Agency, and Agricultural Law.

Tony Leenknecht is representing the State Life Underwriters Association.

Bill Bolt works for the Flynn Insurance Agency. He has been in the insurance industry since 1979. He is the president of the Professional Insurance Agents Association of Montana.

Robin Boon is the Executive Director of Flathead Association of Independent Agents. She entered into the insurance business in 1985. Ms. Boon represents the Independent Insurance Agents of Montana on the advisory council.

Nelson introduced state Insurance Commissioner, Mark O'Keefe.

Commissioner O'Keefe thanked the members for agreeing to do this job. He told the members he realized the imposition it makes on their lives and jobs. O'Keefe said continuing education will have important effects on insurance providers in the state. O'Keefe set these goals for the Council:

1. Create administrative rules for the Insurance Continuing Education program.

2. Develop administrative rules for written certification of course attendance and fees submissions and reporting requirements.

3. Create certification standards for course instructors.

4. Participate in the public rule making process.

5. Review course materials from course providers for certification and make recommendations to the Commissioner.

6. Promote continuing education in the groups they represent. Explain to people how the program works and why it is important.

O'Keefe stated the good people in the insurance industry are very well qualified and spend a lot of time and energy providing good service in Montana. This program can encourage professional agents to excel in the career that they've chosen. O'Keefe stated he would be glad to answer any questions from the Council members.

Nelson introduced the staff of the Insurance Department who were present.

Nelson stated that Department staff members are a resource for the council to use. Public comment will be directed to the advisory council by staff. The council may request anything they need from staff.

Overview of Senate Bill 354 - Panel Discussion

Mr. Coté facilitated a panel discussion to provide an overview of Senate Bill 354. Panel members were Roger McGlenn, Executive Director, Independent Insurance Agents of Montana; Larry Akey, lobbyist, Montana Association of Life Underwriters; and Debbie Berney, Executive Director, Professional Insurance Agents Association of Montana.

Coté introduced the panel members and the topic they would cover.

McGlenn presented the history of continuing education efforts in Montana. In 1978 - 1979 continuing education was first seriously discussed in Montana. A bill was drafted in 1978-79 by the Montana Insurance Education Foundation. Commissioner Omholt

requested the bill not be introduced. This request was based on the administrative burdens other states experienced when implementing continuing education programs.

In 1987, the Montana Association of Life Underwriters introduced a continuing education bill. The bill passed the Senate without objection, but died in the House. During that process, the Montana Association of Life Underwriters and the Independent Insurance Agents of Montana promised the members of the House Business and Industry Committee to study Continuing education issues and return during the 1989 session with recommendations on the issues.

An insurance industry task force was formed in 1987. A three point program was developed and pursued. The first two points were to clarify Montana statute on who must be licensed and when they must be licensed. Commissioner Bennett interpreted the law broadly on who should be licensed. Based on this interpretation of the law, during the mid-1980's, substantial numbers of people were licensed by insurance agencies.

In 1989, single-licensing and licensing requirements were addressed in legislation. Legislators were encouraged to kill the pre-licensing bill if the clarification of who must be licensed failed. Both bills passed.

The third point was to continue development of a responsible continuing education bill for the Insurance Department to introduce to the legislature. In 1992, the industry association task force began developing a draft continuing education program bill. The task force studied other states for success and failures. (All but 10-12 states have continuing education requirements.) The task force took into consideration the difference between agent needs and the model language proposed by the National Association of Insurance Commissioners. Consumer benefits were a priority and minimizing bureaucratic and financial burdens on the Montana licensed agent was a priority.

Senate Bill 354 was a compilation of these priorities and information, and the Insurance Departments goals and objectives. Senate Bill 354 was supported by all the producer associations. Two amendments were made as the bill went through the legislature. First, fees are to be established commensurate with the costs of the program. If the fees went through the appropriations process they could be lost to the fiscal crisis in the state, continuing education without adequate staff or funding could become law. The second amendment stated that sellers of only credit life and disability insurance who receive revenue from sale of credit life "incidental" to other noninsurance activities are exempt from continuing education requirements. This amendment was resisted by the agents associations and by the Insurance Department.

Akey discussed the effects of the law on insurance producers and consultants. The goal of the Continuing education bill is to improve the competence of working insurance professionals in Montana to protect the Montana insurance consumer. Improving the competence of the insurance producer is critical in protecting the insurance consumer. Senate Bill 354 formalized what most agents already do. The council and the commissioner should remain flexible in development of rules and enforcement of Senate Bill 354.

There are four areas of concern: the geographic dispersal of insurance professionals in this state, the ability to approve correspondence, self-study and tele-conferences should be built into administrative rules; flexibility in course content, insurance education can encompass the area of agency management, sales techniques and financial statement analysis and such courses ought to be considered for course certification; courses that are specific to the internal procedures of a particular company should not be continuing education courses; and the importance of courses on the sale of products.

Remain flexible with multi-line agents. Develop a guideline for multi-line licensees to get education in each line, but not be rigid regarding exact course numbers year-to-year.

Be flexible and timely in the approval process. Approve courses late this year and early next year so producers don't have to take their credits all at once. Getting the Continuing education courses on-line quickly will benefit the consumer. Two other areas he mentioned are reciprocity with other states and fees. Each state has different requirements, if other states recognize Montana's continuing education requirements, Montana should recognize those of the other state. The Montana program should be designed to ensure other states will accept our certification. Agents believe in legitimate fees to make the program work. They do not want fees to become a burden to the providers. Keep fees reasonable.

Berney discussed the effects the Senate Bill 354 will have on education providers. The issues of importance are the set-up costs of course providers and course provider certification. Potential providers may be in-state associations, in-state companies and other in-state educators. There will be self-study programs, video courses, audio courses and training manuals that the members will have to review. National Certification programs, companies, colleges and universities may want to offer courses.

Berney said the Professional Insurance Agents Association is concerned about the continuing education program being funded. Berney said the council should look at the fee structure in other states. Continuing education courses that provide useful materials and topics need to be available in remote areas.

Berney said questions the administrative rules should answer are: how will course revisions and convention programs be handled in the fees schedule and will instructors get continuing education credit for hours they teach? The Professional Insurance Agents Association is worried about clarity in the course approval time frame.

Akey said that during a meeting with the Commissioner prior to the legislative session it was the position of the Association of Life Underwriters, and of the two other associations, that anyone offering insurance in the state of Montana should meet the

requirements set in Senate Bill 354. The field of insurance is changing rapidly enough that if someone has a license to sell, it needs to be kept current. One of the areas he feels the council ought to look at is what is appropriate for Title Insurance Agents. The council should take a look at Senate Bill 354 and make changes in the 1995 legislature. His association also feels if a person is covered by the insurance code in the licensure, that person should be subject to some continuing education requirements. That is why the Life Underwriters resisted the efforts to exempt the sellers of credit life and credit disability insurance.

Jack Johns, Montana Land Title Association said the title insurance association will voluntarily send suggestions on continuing education for title agents to the advisory council. Title agents are not in the same category as other insurance people. Their business is more closely related to the real estate.

McGlenn said the Independent Agents Association concern is once exemptions begin, where do they stop?

Frank Coté asked if there were any other questions from the advisory council. Coté summarized the panel comments. The goal of Senate Bill 354 is to benefit the consumer. There are many different licenses out there and the panel needs to be flexible in the way they look at how each person in an agency operates. Also the state geographic boundaries create difficulties. The Commissioner's Office made a commitment to the legislature that they would approve correspondence courses. All three of the panel members mentioned fees. The agents and the providers all are concerned about fee levels. Coté said he was confident that this committee will devise a good plan.

Overview of Insurance Continuing Education Nationwide

Nelson gave an overview of both insurance continuing education and Montana licensees. There is no particular continuing education standard in the United States. He stated that the Mid-West Zone of National Association of Insurance Commissioners

at one point proposed single agent licensing throughout the U.S. A multi-state licensing and continuing education package was also proposed. Nelson said there are 45 out of 50 states that have continuing education. The number of required hours of continuing education varies in each state. Nelson reviewed the continuing education *Requirements Quick Guide* for the council (Exhibit 2). A licensee proves course attendance by sending in a certificate, the course provider sending in a certificate, or both sending it in. Nelson talked about reciprocity. Most states require non-residents to meet the requirement or that of their home state. Many states waive continuing education requirements if a state has equivalent requirements.

Course provider fees range from nothing to $500.00. Agent fees range from $0 to $25.00. The fiscal note for Senate Bill 354 states $150.00 per course and $25.00 per agent. Nelson let the council know it will be up to them to decide where those fees are going to fall. Nelson went over the survey sent to potential course providers (Exhibit 3). Surrounding states were asked for a list of continuing education providers. Of 300 surveys sent to course providers 46 have been returned. The responses suggest 357 courses may be offered in Montana.

Clark asked if there is a statutory requirement for completion of a certain number of credit hours.

Akey responded the requirement is 10 credit hours per year for single line licensing and 15 credit hours per year for multi line licensing.

Bahls asked if the Mid-West Zone Insurance Commissioners is a formal organization or only in the discussion phase.

Nelson replied that it is a formal organization. They started a licensing initiative to get uniformity. They want to form a clearing house of continuing education providers. Each state would retain authority to approve courses, but the clearing house would recommend how many credit hours a course is worth.

Insurance Licensees in Montana

Nelson talked about the various insurance licenses in Montana: Life and health, property/casualty and surety, agencies, title agents and agencies, credit life and crop hail. Montana has 14,000 licensees, split equally between resident and non-resident; 3,767 individual life and disability producers, 1,509 resident and 2,258 non-resident; 1,843 individual property and casualty producers, 650 resident and 1,193 non-resident; 463 life and health agencies, split equally between resident and non-resident; 858 property and casualty agencies, 244 resident and 614 non-resident; 671 agencies that are multi-line, 4,800 individuals with multi-line licenses, 4,138 resident and 741 non-resident; 50 consultants, 39 resident and 11 non-resident; and 84 surplus lines agents. The 500 adjusters are not covered by the continuing education bill, are all resident. There are 401 credit life only license holders, 85 residents and 16 non-residents. The number of licenses issued each month in Montana is 250.

Tony Leenknecht asked Nelson if a broker licensed with 5 or 6 different companies has what is considered an individual license.

Nelson said those are considered company appointments. He said the Licensing Bureau processes almost 14,000 appointments a year. A person may hold as many appointments as a company wants to give them. Nelson stated that these are active licenses. In the past if one didn't have an appointment for 90 days, that license was pulled. Now a license is perpetual. He expects the number of license holders to decrease once the continuing education program gets going.

Leenknecht asked if a person leaves a business can they still maintain a license?

Nelson said yes.

McGlenn asked if one holds three different licenses would that person be counted three times. Nelson said that it could show up that way.

Clark asked if McGlenn had to renew his license every year. McGlenn said yes. Clark asked if license renewal would depend on the number of classes he took and passed. McGlenn said yes, he would have to complete the number of courses required in the statute.

Nelson introduced Geoff Brazier, administrative rules attorney for the department, to talk about the Administrative Rules process.

Administrative Rule Making Process

Brazier gave a history of rules then explained the procedure the council must follow. The legislative body or the regulatory agency establishes some standards of conduct and also makes some attempt to maintain knowledge and ability through the rules. In insurance regulation the state Auditor is bound by the *Administrative Procedures Act*.

Rule making procedure requires various actions from an agency. There are two notices issued as a result of deliberation by the council; the notice of intent to adopt rules and the notice of adoption of administrative rules. Both notices are published in the Montana Administrative Register. Notice must be sent to individuals on a list of interested parties. There is a process for public input that includes a public hearing and an opportunity to submit written comments. After this process, a final notice is published. The council develops the rules prior to the notice.

Two other agencies become involved in these procedures: the Secretary of State's office compiles and publishes the rules; the legislative code committee oversees all rules making. Rules go into effect the date after the notice of adoption is published in the Montana Administrative Register.

The council may follow the National Association of Insurance Commissioners model rules, those of other Montana regulatory boards that have continuing education or rules from other states. Brazier reviewed the *Synopsis of Rule Making Procedure* handout.

Brazier will prepare a notice of rule making for the rules that are required by recent legislation. He suggested including the fees rules.

Nelson asked the council if they had any questions of Brazier.

Bolt asked Brazier the question if the fee structure for the continuing education for insurance agents was already in place.

Brazier explained that the fee structure is not in place. He explained the filing dates for publication.

Public Comment Period

Nelson next opened the meeting up for public comment.

Jerry Furniss, Connole-Morton and a professor at the University of Montana, made comments. He said courses should be structured in a broad way for course content. He recommends development of low minimum course area requirements. Require four of 15 credit hours in Life and Health, four of 15 credit hours in Property and Casualty and the remaining credits would be open. Not all continuing education will fit in specific categories. He stated other state continuing education course programs limit the number of insurance company-sponsored credits. Some states limit those credits to 50% of the annual requirement. Pre-licensing courses should not be part of continuing education requirements. The following classes are not appropriate to fill continuing education requirements: community service, motivational classes, securities training, communication skills, association meetings and economic outlook seminars. He suggested setting credit hours in whole hours. Set one credit hour for every three university credits. There should be testing requirements in the self-study courses. He recommends credit life definitions and rules be very specific.

Dave Jones, Agency Training Coordinator, State Farm Insurance Companies said the fee structure is heading in the right direction. If a person is teaching more than one hour, the fee scale goes accordingly. Courses with non-monitored exams may

have too much abuse, but there should be some type of testing. Learning the product will benefit the consumer. He suggested certifying course providers.

Jones asked Nelson to clarify the fee on providers. Nelson told Jones that the fiscal note states $150.00 per course and $25.00 annual filing fee for licensees.

Bolt asked Jones about limitations on the number of hours for company correspondence courses. Jones responded that they should not be limited. As long as a person is taking courses on the products they sell, that is enough. The products of insurance companies don't really differ much.

Jerry Furniss suggested the council check the Wyoming limitations on company courses.

Jones said the State Farm homeowner class talks about exclusions. There is nothing in the policy that singles it out.

Kendra Kawaguchi, lobbyist for the Montana Land Title Association and the National Association of Independent Insurers, asked the council to keep the title industry in mind.

Bolt asked about title insurance continuing education courses. He heard from title insurance agents that there are not enough title courses available.

Furniss replied that in real estate continuing education there is a potential source of courses.

Bolt asked Furniss if there are 10 hours of real estate courses that are applicable to title insurance agents. Furniss said yes. Jack Johns stated that the American Land Title Association has a correspondence course that they provide for title insurance agents and Colorado offers a continuing education course for title insurance agents.

Nelson said he spoke to the American Land Title Insurance Association, their concern was that courses, which were not

strictly insurance, would not be accepted for continuing education credit.

Review and Adopt Advisory Council Work Plan

Nelson had Arnold review the draft advisory council work plan. She identified the issues that drove the work plan: statutory requirements, the administrative rules time table (Exhibit 4) and the proposed meeting schedule (Exhibit 5). The administrative rules timetable is designed to have rules in place by the end of December so course may be offered throughout 1994. She said the development of draft administrative rules material can be done by staff. Many of the National Association of Insurance Commissioners proposed rules are included in the Montana statute, therefore additional administrative rules are not needed.

Two issues that need to be covered in administrative rules are: fees and program implementation rules. The fiscal note for Senate Bill 354 identifies several fee levels. The projection was that 200 continuing education courses would be proposed for certification during the first year at a fee level of $150.00 per course. That $150.00 fee covers certification of approved courses for two years. Providers of courses that are not approved lose their fee. Fees are non-refundable according to the fiscal note. The fiscal note also states that there is a $50.00 renewal fee every biennium.

The second set of fees is for agents. The proposed fee level for agents is $25 a year. At this time Montana agents have a perpetual license. There is no renewal fee. Agents living outside the state pay a $10.00 renewal fee. According to the law, the fees that are generated must pay for the implementation and the operation of the continuing education program, the personnel involved, office expenses, the offering and reviewing of courses, and the advisory council meeting expenses.

Bebee asked if the Auditor's Office agreed with the fiscal note. Arnold replied yes.

Arnold stated that anything affiliated with offering continuing education is part of this budget. Bebee asked about the 1.75 F.T.E. position. Arnold said the continuing education program position and a support position are in that figure. The other position will be filled by January.

Arnold explained an additional fee issue. In order for fees to be generated and put back into our funding base that fee must be defined in administrative rules. A course on changes in Montana insurance statute and administrative rules will cost slightly over $10.00. A fee of $10.00 to cover the costs of that course should be included in the Administrative rules.

O'Keefe told the council that it doesn't have to be the Commissioner's Office that gives this course. The department just wants to ensure the course is provided by someone.

A discussion of the exact numbers of people licensed and the figures listed on the fiscal note took place.

Arnold told the committee members that to meet the deadlines for the Administrative Rules, draft administrative rules must be noticed by October 18th. A draft notice indicates that the council and an agency have intent to produce a set of administrative rules. The rule making process includes a public hearing. The earliest this hearing can be held is November 29. A quorum of this advisory council should be present to listen to the public comment of interested parties. Written comment on the rules will be due November 30. Each comment requires a written response. Throughout this process the draft rules can be revised by this body, public comment, or by written comment.

Arnold next discussed the meeting dates for the council members. The final dates for meetings were discussed along with the proposed work plan (Exhibit 6). Arnold explained the activities for each meeting.

The question was raised if the staff will have some summarization of the activities listed in the work plan. Arnold said they will do that.

Clark asked if the staff will identify the areas of controversy and the areas on which the Council should pass judgment. Arnold said yes.

Akey asked if we were going to accept the American College courses. Arnold told him the content of the courses would not have to be looked at, but they would have to be filed and the fees paid. O'Keefe said that the committee has to consider what portion of the $150.00 fee goes toward course review. There was a discussion regarding a fee cap for course providers.

Arnold said that the program should not collect any excess revenue. However, if the fees are reduced and less revenue is generated than the fiscal note projection the legislature would not allow the program to cover its costs through general funds.

Jerry Furniss asked if a course is offered in six locations is that considered one course or six courses? He also asked if a 10 credit hour course would be charged the same review fee as a 15 credit hour course.

Nelson said those are issues that the council will be considering.

O'Keefe said the less providers were charged the larger the charge for licensing. One way or the other the fee will be going back on the producers.

With staff recommendation, summary and a break out of areas of concern for discussion the committee members agreed they could accomplish what was needed for the November meeting. Arnold noted that the meeting on the November 29 will be a half a day meeting, starting at 1:00. Arnold asked Mr. Clark if he wants to see an analysis of the courses. Clark answered that he would like to see a synopsis of each course. If there is no controversy, he would like the staff to prepare a summary of the course. Arnold asked Mr. Clark if he wanted to see a proposed a number of credit hours attached with the staff's recommendations on each course. All members agreed that they would like that.

McGlenn said other states view of a course would be helpful for the council. Nelson stated that should be part of the analysis.

Arnold stated that the rules will be finalized on December 24. A review of the specific meeting dates was discussed; October 6, November 3, public hearing the afternoon of November 29, December 10, no meeting projected for January, a meeting in February has been proposed, no meeting in March, a meeting in April, none in May and a meeting in June. Arnold asked if there were any other items the members wanted added to the work plan.

Nelson suggested they approve the work plan as revised. The committee approved the work plan.

Discussion of Draft Administrative Rule Elements

Arnold reviewed the elements of the draft continuing education administrative rules.

1. The law provides for reciprocal agreement with other states. The rules need to provide a mechanism to implement them. The law provides that Montana residents who hold Montana insurance licenses must meet Montana's continuing education requirements as opposed to meeting out-of-state continuing education requirements.

2. Under fees, the producer fee of $25.00 annually with license renewal is straight forward, based on the fiscal note.

3. The Auditor's Office staff may attend or audit courses certified by the continuing education program on a no-fee basis. This provides a mechanism to monitor courses without receiving permission from the course provider.

4. The proposed non-refundable certification fee is $150.00 per course. This fee covers the course review and if the course is approved, certify it for two years. That fee is based on the fiscal note.

Clark asked if someone submits a course to be reviewed and the committee says that some parts are good and some not, do the providers have the option to go back and qualify without losing their fee?

Arnold said that having some sort of redress for providers should their course not be approved should be discussed.

5. The proposed $10.00 fee for the Montana Insurance Department offering of a course on changes in Montana insurance statutes and administrative rules to cover the cost of material printing and mailing.

Jerry Furniss suggested they consider the repeatability of courses as well.

6. Items that need to be included on course approval submission: the name of the sponsoring organization; the title of the course; the proposed date of offering; course objective; major course topic; course length; other states that have adopted the course; the type of course; teaching method; evaluation method; attendance verification; method of record maintenance; instructor information and a contact person.

Steve Bahls asked Arnold if complete course materials will be requested for each course. Arnold replied that in most cases one doesn't ask for the entire copy of course materials. She stated that the full materials for a course, if necessary, may be requested.

Clark asked Jerry Furniss if students pay him a fee when he conducts his classes and if he provides handouts.

Jerry answered that he supplies an outline of the topics covered and the students can take notes right on the materials.

Arnold said that the advisory council can require the entire volume of course materials be submitted before a course is certified. It would be the staff recommendation that it is not of benefit.

Nelson stated that the staff will analyze the material that comes in on courses.

John Bebee asked if the mid-Western Zone had a format that they preferred.

Nelson stated that the mid-Western Zone has not got to that point yet.

Mr. Clark asked who administers tests for course participants?

Furniss replied that the lecturer would in a classroom environment but with video tape or audio tape courses another testing process must be designed.

Bebee asked if they could have a two-way monitor?

Arnold replied that examinations are an issue that should be discussed. There are two different opinions presented on this issue. If examinations are needed, they should be part of the submission.

Jones suggested the council review the Pictorial guidebook and see which courses are approved for how many hours. The outline includes the goals of the class and how many credit hours are requested.

Nelson stated the council members should not worry about credit hours. The council will discuss that extensively in October and November.

Arnold stated that they should try to put the minimum amount for the maximum impact in the rules: make the rules inclusive rather than exclusive.

7. The staff would like the advisory council to review the course on changes in Montana insurance statute and administrative rules. The department would like outside review before the course is offered.

8. Certification of courses before they are offered rather than after they are offered. When an individual takes a course they know that course has been certified.

9. Pre-submission of course materials for certification, which ties to the previous issue. Arnold stated the rules should include grounds for revoking a course or an education provider, as well as, a method of recourse for providers.

10. Items for the course provider to supply the licensee, so that the licensee may receive credit for the course. The staff is proposing that as an identification number for a course provider that they use their employer identification number, the course number or course title, the number of credits or hours that student can receive, the name of the student and a course approval number. The information that the student will be providing is their name, address, license number, course name and number, credit hours completed, and testing scores.

11. Storage of records in-state or out-of-state. The records must be available for audit, and if it is noted in the rules that they must be available that should suffice.

Furniss asked if it would be possible to allow an individual to take half the course or a quarter of the course and pick up 4 hours or 8 hours. He believes that it would add considerable flexibility to the package. Nelson stated that is something that the council members are going to have to work through, but that to him an individual would have to show up for the whole thing because what part of the course would be only 4 hours. An individual needs to complete the whole course.

Bahls stated the grades agents receive should not be public record. Nelson replied that most courses do show a pass or fail.

12. An opportunity to lapse an individual license rather than receive a suspension for not meeting continuing education requirements during the first year of the continuing education program. That gives an individual a one-year grace period.

13. The identification number for insurance providers is their license number. The Child Support Act will require use of a licensee's social security number as a tracking number.

14. Credit for a specific course only once every two or every three years.

15. Licensees who live in other states without continuing education requirements must meet Montana requirements.

The next agenda item discussed was "items to discuss" on the continuing education rules (Exhibit 7). The first issue is a definition of the level of insurance sales that qualify as "incidental to other noninsurance activities." The people who believe they are included in the category of incidental are bankers and people who provide loans and offer credit insurance.

Nelson said that this is for credit life only license holders. He said a clarification needs to be made.

Clark asked if the advisory council had to define "incidental" at this meeting. Arnold said no.

The next issue was the acceptability of a maximum per year fee level for education providers. That topic was discussed by several people during their presentations. There are education providers who believe a fee of $75.00 a year per course is going to break them. There are organizations that indicated based on the fee that they will not be offering courses in the state.

Bolt asked a question on the fee issue. He feels it is ambiguous about what the Department's anticipated revenues are for the program. He wanted some additional information about what they perceive for revenue.

Nelson stated that he would have the staff provide a more detailed budget for the council members.

Dependency of educator fee levels on course credits was the next issue. Should there be a sliding fee scale.

Clark asked Jerry Furniss to comment on this item.

Bebee asked the audience to submit their suggestions on rules issues in writing to the insurance staff. The staff will forward all comments to the members.

Nelson asked that all suggestions from the audience for the council members be sent directly to Arnold.

The next topic was the acceptability of courses with non-monitored exams.

Boon stated that examinations should not be required. To attend class and then not pass is not fair. Some credit should be given even if they don't pass the exam.

Bebee stated there was no need to pass an exam in a classroom setting.

Another concern is how to monitor video tape courses.

A round table discussion on the monitoring of testing in the rural communities took place.

Mr. Davis suggested the Council discuss philosophical issues later.

The Council members agreed.

John Bebee asked if they could have audience comments before the next meeting.

Mr. Clark asked if it was important to have a quorum for all of this.

Arnold said they do need a quorum for the draft rules. Four people do need to be present.

Arnold continued on with course certification topics. The acceptability of courses other than "pure" insurance courses for

continuing education credit. Both sides of the issue have been heard.

Boon stated that she sees a difference between these. Arnold agreed and asked where the council wishes to draw the line.

Bahls stated as a public member of the group, he thinks that is a critical line to draw. He feels it would be helpful to see what other states have done.

Arnold said that other states are not in agreement on this topic. There is a lot of diversity, based on the laws passed in other states. This is a decision the Council members will have to make.

The next item is definition of what exactly constitutes a credit hour of instruction. The law says a credit hour could be a straight chronological hour or any thing else. At the present time we have no means against which to evaluate a course for credit hours.

Acceptability of package certification of several small courses offered at a conference or meeting. There are providers who want to offer several courses using one instructor in a variety of places as a package. Does this constitute one course or three. Is it acceptable to combine those into seminars that have one title, but deal with three different issues.

Allowability of audiotape, videotape, correspondence and remote site training or course offerings. This is something that is not addressed in the law directly. The law does state that we will make education available through a variety of means, and it is determining which of these is going to be allowable. The staff's hope is that all of them will be allowable.

The next topics discussed were course providers and elements of the instructor certification method. Will the members look for teaching credentials or will the insurance staff do this? What is an acceptable level of insurance experience.

The last topic was acceptability of receipt of continuing education credit by course instructors for courses they teach. If it is allowable do they receive credit for teaching the same course repeatedly and how many credits should they receive.

Arnold asked Mr. Bahls if he receives credit for the courses he teaches. Mr. Bahls stated he does get credit and gets more than one credit. He receives credit for preparation time also. A total of three credits. He receives three times the number of hours, but only once.

Everyone agreed the instructors should receive credit for teaching, but only once. A discussion was brought up by everyone on whether they should only receive it once. Mr. Clark needed to think about that issue.

McGlenn made a brief comment to the council. He believes once the members receive their written comments from the audience they will see they don't have as much a problem as it seems.

The meeting was adjourned at 5:45 p.m.

EXHIBIT 1

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Meeting - September 8, 1993

NAME & ADDRESS	ORGANIZATION REPRESENTED	TELEPHONE NUMBER
RON ASHABRANER 2601 Broadway Helena	State Farm Ins	443 0694
DAVE JONES 4000 25TH AVE NE SALEM, OR 97303	STATE FARM INS	(503) 463-2738
TONY M LEENKNECHT 90 BOX 2264 BILLINGS MT 59103	STATE LIFE UNDERWRITERS ASSN.	406/259-6651
BRUCE WALTERS 404 FULLER	BLUE CROSS BLUE SHIELD	[illegible]
LARRY AICET [illegible]	[illegible]	[illegible]
DEBBIE [illegible]	[illegible]	[illegible]
VICKEY Anderson [illegible] Helena MT [illegible]	[illegible]	[illegible]
Robin Bond 33 2nd St E Kalispell	[illegible]	[illegible]
ROSE [illegible] [illegible]	[illegible]	[illegible]
Bill Bidert 222 Meadow Mt.	NIFF	443-5716
JACK [illegible] [illegible]	[illegible]	[illegible]
[illegible] 431 1st Ave. [illegible]	NATIONAL ASSN. IND. INSURERS MT LAND TITLE	752-6644
JERRY FURNISS 415 N. Higgins, Missoula MT	Connolly-Morton 59802	543-3269

Please print

Continuing Education Requirements QuickGuide

EXHIBIT 2

(Requirements Applicable to All Resident Agents/Brokers Licensed for Life/Health and Property/Casualty in States Below.)

State Dept. Phone	Continuing Education Requirement Agents & Brokers@	Compliance Deadline	Study Methods Class vs Corres. (CL) (CO)	Nonres. Compliance	Credit Hour Carryover Allowed	Certificate of Completion Filing Requirements
Arkansas (501) 686-2840	16 hours every two years. LH/PC Combined - 20 hours	Jan. 1st each two year period	CL/CO	No	Yes - only to next CE reporting period.	Original certificate of completion must be sent to Department, with a filing fee, upon completion of course
California (916) 327-3964	For licenses issued *after* 1/1/92: 25 hours for each first 4 years from original license issue date, then 30 hours every two years thereafter. For licenses issued *before* 1/1/92: 30 hours every two years. Compliance begins with 1993 renewals. Licenses that renew in 1993 must meet 15 credit hours by the renewal date.	License renewal every two years.	CL/CO	Yes**	Yes - can carry forward only to next 12-month period	CE provider must report CE credit earned on behalf of agent. The agent is to keep the course certificate given by the course provider
Colorado (303) 894-7495, ext. 393	24 hours every two years. Compliance begins in 1995.	License renewal every two years.	CL/CO#	Yes**	Yes - 12 hour maximum.	Agent must transfer information contained on the Certificate of Completion to Colorado's Continuing Education Summary Report Form, CE04. The summary form is to be submitted with the license renewal form and fee to the Department. The agent keeps certificate of completion on file
Delaware (302) 739-4254	Licensed for: 2-5 years - 20 hours annually 5 years + - 10 hours annually.	Feb 28th yearly	CL/CO	Yes**	Yes - only to next CE reporting period	Agent must submit a copy of the *CE Course Report Form* to Delaware's CE monitoring program by the compliance deadline. Agent keeps original certificates on file
Florida (904) 922-3134	28 hours every 2 years (two hours must be on Florida Rules & Regulations)	End of birth month every two years.	CL/CO#	Yes**	Yes - only credit hours earned in the second half of a CE period may be carried over to the next CE period.	CE Provider must report CE credit earned by agent to Department. Agent keeps course certificate given by the course provider
Georgia (404) 656-2104	If licensed less than 20 years—15 hours annually. If licensed 20 years or more—10 hours annually	License number with last 2 digits of: 00-24: Sept. 1 ea. yr. 25-49: Oct. 1 ea. yr. 50-74: Nov. 1 ea. yr. 75-99: Dec. 1 ea. yr.	CL/CO#	No	Yes - limited to the lesser of: a) 1/2 of the present year's requirement, or b) credit hours earned in excess of hours required for previous year's requirement.	Agent mails copy of certificate with form GID-101, Georgia's CE reporting form to the insurance department by the compliance deadline.
Idaho (208) 334-2250	40 hours every two years.	License renewal every two years.	CL/CO	No	None	Course provider must report CE credits earned by the agent to the insurance department. Agent must transfer information on certificates of completion to ins. dept's *Insurance Continuing Education Statement* (found on reverse side of renewal). Agent is to keep original certificate of completion on file.
Illinois (217) 782-1019	25 hours annually for first four license renewals.	License renewal annually.	CL/CO	No	Yes - 25 hours maximum	Agent must submit the original Illinois CE certificate to the insurance department at license renewal
Indiana (317) 232-2389	30 hours every two years.	License renewal every two years.	CL/CO#	Yes**	None	Course provider must report credits to CE program monitor after completion of course. Agent must keep original certificates on file. There is a separate CE filing fee required to be paid by the agent.
Iowa (515) 281-4383	10 hours annually LH/PC Combined - 20 hours annually.	December 31st yearly.	CL/CO	Yes**	Yes - 10 hours maximum.	Agent must send photocopies of certificates of completion by the compliance deadline directly to the Dept. with a filing fee.
Kansas (913) 296-7859	12 hours every two years. LH/PC Combined - 24 hours annually.	March 31st odd-numbered years.	CL/CO#	Yes**	None	Agent must transfer course information found on certificate to the Kansas summary form, *Insurance Continuing Education Summary Report* form. Copies of certificates must be attached to this summary form. When the total CE requirement has been met, submit information to Department.
Kentucky (502) 564-3630	24 hours every biennium.	June 30th every even-numbered year.	CL/CO*	No	Yes - 12 hours maximum	The CE provider must send two copies of certificates to agent for signature. One copy is to be kept by agent and one signed certificate is returned to course provider. It is the course provider's responsibility to file certificate to insurance department.
Louisiana (504) 342-0895	L/H: 16 hours every two years (compliance begins with 1994 renewals). PC: 24 hours every two years (compliance begins with 1993 renewals). LH/PC Combined - 32 hours every two years.	At license renewal every two years.	CL/CO*	Yes**	Yes - 10 hours maximum.	Agent transfers information on certificate to *Louisiana's Continuing Education Statement*, Appendix 6. Copies of the certificates must be attached to this form. This information must be submitted to the ins. dept. at license renewal.
Maine (207) 582-8707	30 hours every even-numbered year.	April 1st every even-numbered year for agents. January 1st every even-numbered year for brokers.	CL/CO	No	None	It is the provider's responsibility to notify Department of agent CE credit hours earned. The agent is to keep certificates on file.
Maryland (410) 333-4059	16 hours every odd-numbered year.	June 30th every odd-numbered year.	CL/CO*	Yes**	None	Agent must submit copy of CE certificate with the license renewal.
Massachusetts (617) 727-7189, ext. 504	60 hours first 36 months 45 hours each 36 months thereafter.	Every 36 months by June 30th for agents. Every 36 months from license issue date for brokers.	CL/CO	Yes**	Yes	Agent must send original certificates of completion to the insurance company by compliance deadline. Insurance company documents CE compliance to insurance department at license renewal. Broker sends original certificates to insurance department directly.
Michigan (517) 335-2071	30 hours every two years. Compliance begins in 1995.	Compliance dates based on last digit of Soc. Sec. Number and the first letter of agent's last name every two years.	CL/CO	Yes**	None	Course provider must report CE credits to the CE monitoring program. The agent keeps original certificates of completion.
Minnesota (612) 296-6319	15 hours yearly.	Oct. 31st yearly.	CL/CO* - (CO-Nonres. only except for border states)	Yes**	None	Agent must transfer information contained on certificates to Minnesota's *Continuing Education Summary Report* form. Copies of the certificates must be submitted with these forms. Forms must be submitted to Dept. with the renewal notice
Mississippi (601) 359-3582	L/H: 25 hours first 4 years PC: 12 hours annually	L/H-Due January 31st annually for first 4 years PC-At renewal	CL/CO# (Monitor exam for PC credit only)	Yes**	None	Agent must transfer information contained on certificates to Mississippi's license renewal form. Certificates of completion are not submitted for life/health renewals. Original certifications required with PC license renewals.
Missouri (314) 751-3518	10 hours every two years LH/PC Combined - 16 hours every two years	License renewal every two years.	CL/CO	Yes**	Yes - only to next CE reporting period	Agent must transfer information contained on certificates to Missouri's *Continuing Education Certificates Summary* form. The summary form is to be submitted with the license renewal form and fee to the Department. The agent keeps certificates on file.
(1) Nebraska (402) 471-2201	Various course options approved by the insurance department.	Within first 5 years of original license issue date	CL/CO	Yes (L/H only)	None	Agent sends original certificates of completion to insurance department when the full 2-year CE requirement has been met. Certificates for the 5-year minimum education requirement may be submitted as completed
(2) Nebraska (402) 471-2201	L/H: 12 hours every two years PC: 24 hours every two years	45 days prior to license renewal every two years	CL/CO	No	None	
Nevada (702) 687-4270	30 hours every three years	License renewal every three years	CL/CO#	No	None	Agent must submit original CE certificates of completion with license renewal
New Hampshire (603) 225-3374	30 hours every two years.	Due 60 days prior to license renewal every two years (license renewal is June 14th every two years for agents)	CL/CO	No	None	Agent must transfer information from the certificate of completion to New Hampshire's *Continuing Education Summary Report* form, and submit form to the insurance department 60 days prior to renewal

@ If "LH/PC Combined" is not shown in the state requirement, the CE requirement is the same regardless of the number of licenses held

Monitored exam required for correspondence study

* Restriction exists on how much of requirement may be met via correspondence study. Check with state insurance department for details

**Nonresidents may be exempt from CE requirement dependent upon whether the agent meets a similar home state requirement and/or there is a reciprocal agreement between the states

Continuing Education Requirements QuickGuide

(Requirements Applicable to All Resident Agents/Brokers Licensed for Life/Health and Property/Casualty in States Below.)

1993.2

State Dept. Phone	Continuing Education Requirement Agents & Brokers●	Compliance Deadline	Study Methods Class vs Corres. (CL) (CO)	Nonres. Compliance	Credit Hour Carryover Allowed	Certificate of Completion Filing Requirements
New Jersey (609) 292-4419	48 units every 4 years. Compliance begins May 1, 1995	90 days prior to license renewal every 4 years	CL	No	None	Course provider must report CE credits to the CE monitoring program. The agent keeps original certificates of completion.
New Mexico (505) 827-4662	15 hours annually (including 1 hour of ethics)	Sept. 30th yearly.	CL/CO	Yes**	None	Agent must send original certificates to insurance department when the full requirement is met with a filing fee.
North Carolina (919) 733-1643	12 hours annually LH/PC Combined - 16 hours annually (Residents required to take a course on NC Statute and Rules every even-numbered year as a part of the CE requirement.)	To continue license, CE must be completed and reported by Dec. 31st yearly	CL/CO#	Yes **	Yes - maximum of 9 hours for single license. Dual license is limited to 6 hours for any one license.	Course provider must report CE credits to Department. The agent keeps original certificates of completion.
North Dakota (701) 224-2440	15 hours annually.	Due by Jan. 31st for last names of A-K every odd-numbered year; L-Z every even-numbered year.	CL/CO*	Yes**	Yes - 15 hours maximum.	Agent must transfer information on certificate to North Dakota's *Continuing Education Summary Report of Compliance* and submit the form at CE compliance time along with a filing fee. Agent keeps original certificates of completion on file. Provider must also report proof of compliance.
Oklahoma (405) 521-2828	6 hours annually (including 1 hour of ethics)	At license renewal annually	CL/CO	Yes**	Yes - only to the next CE reporting period. Ethics requirement must be repeated each year.	Course provider must report CE credits earned on behalf of agent. Agent is to file copies of certificates of completion at license renewal.
Oregon (503) 378-4511	Licensed for: 1-5 years: 48 hours every two years. 6 years +: 24 hours every two years.	24 hours required with first license renewal. Then every two years thereafter at license renewal.	CL/CO	No	None	Agent must transfer certificate information on to license renewal form provided by Department. Agent keeps original certificates of completion.
Puerto Rico (809) 722-8686	Years 0-9: 18 hours yearly. Years 10-19: 12 hours yearly. Years 20-24: 6 hours yearly. Years 25+: exempt.	June 30th yearly.	CL/CO	No	Yes - to next reporting period.	Agent is to certify at license renewal that the CE requirement has been satisfied. The agent is to maintain the original certificates on file.
Rhode Island (401) 277-2223	45 hours every 3 years (15 hours per year).	License renewal every 3 years	CL/CO	Yes**	Yes - only to the next CE reporting period.	Agent is to transfer information from the certificate to Rhode Island's *Insurance Continuing Education Course Report* form. Agent keeps the original certificates of completion. No submission of any forms required until requested by the Department.
South Carolina (803) 737-6160	24 hours every two years. Compliance begins in 1994.	Due 120 days prior to license renewal date	CL/CO	Yes**	Yes - only to the next CE reporting period.	Course provider reports CE credits to South Carolina's CE monitoring program on behalf of agent. The CE monitor submits certificate of completion to the sponsoring insurance company. The insurance company provides proof of completion to the Department at time of license renewal.
South Dakota (605) 773-3563	10 hours every two years. LH/PC Combined - 20 hours every two years.	April 1st, even years.	CL/CO	No	None	Agent must transfer information from certificate on to state's *Continuing Education Verification* form and attach copies of certificates of completion. All forms must be submitted to insurance department by the license renewal date.
Tennessee (615) 741-2693	25 hours annually for 1st four years of license.	License renewal annually	CL/CO	No	None	Agent must send copy of certificate of completion to insurance department at time of license renewal.
Texas (512) 322-4190	30 hours every two years. (Note: Requirement to change to 15 hours biennially beginning with 1994 renewals.)	License renewal every two years.	CL/CO	Yes** (L/H and Adj only)	None	Agent transfers information from certificate of completion to the state's *Continuing Education Summary Report*. A copy of the certificate needs to accompany the summary form and mailed with license renewal.
Utah (801) 328-4556	12 hours every two years.	Due March 31st every even-numbered year with license renewal	CL/CO*	Yes**	None	Course provider must report continuing education credit to the insurance department. Agent must file certificate of completion with filing fee to Department by compliance deadline.
Virginia (804) 786-2631	16 hours every two years. LH/PC combined - 24 hours every two years. (Two hours must be on Virginia law). Compliance begins 1994.	Due 12/31 every even-numbered year.	CL/CO	Yes**	Yes - only to next reporting period.	Not yet determined.
Washington (206) 753-3492	12 hours annually.	Each license renewal annually (date of birth).	CL/CO	No	Yes - excess credits can be carried over for up to 24 months from course completion date.	Agent must transfer information on certificate to Washington's license renewal application form each year. Agent must attach copy of certificate to renewal application.
West Virginia (304) 558-0610	24 hours every two years. Compliance begins in 1994.	Due June 30th every even-numbered year.	CL/CO#	No	None	Course provider must report CE credits on behalf of the agent. Agent keeps certificates of completion on file.
Wyoming (307) 777-7401	If initially licensed after June 30th: 5 hours only in first year of license. All others: 10 hours annually (two hours must be on law & ethics).	Due Dec. 31st each year.	CL/CO#	Yes** - All agents must meet WY 2-hour law requirement.	Yes - 5 hours maximum.	Course provider reports CE credits to the state in addition to the agent. The agent transfers information from the certificate onto the state's *Continuing Education Course Verification* form. Copies of the certificates along with a filing fee is attached to the verification form and is required to be sent to the insurance dept. by the CE compliance deadline.

CE Requirement for Designations	Continuing Education Requirement	Compliance Deadline	CE Proof Sent By:
Chartered Life Underwriter (**CLU**) & Chartered Financial Consultant (**ChFC**) - PACE Program	60 hours every two years.	December 31st of two-year period.	Agent
Accredited Advisor In Insurance (**AAI**)	25 hours every three years.	End of three-year reaccreditation period.	Agent
Certified Financial Planner (**CFP**)	(1) 30 hours every two years - post-certification (2) 15 hours annual requirement - pre-certification	(1) December 31st of two-year period to be reported (2) Upon completion of the certification requirements	Agent

● If "LH/PC Combined" is not shown in the state requirement, the CE requirement is the same regardless of the number of licenses held.

\# Monitored exam required for correspondence study.

* Restriction exists on how much of requirement may be met via correspondence study. Check with state insurance department for details.

**Nonresidents may be exempt from CE requirement dependent upon whether the agent meets a similar home state requirement and/or there is a reciprocal agreement between the states.

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UPCOMING CONTINUING EDUCATION STATES

DISTRICT OF COLUMBIA MONTANA NEW YORK OHIO PENNSYLVANIA

Pictorial 8081 Zionsville Rd • Box 68520 • Indianapolis, IN 46268-0520 • (317) 872-7220

EXHIBIT 3

MONTANA CONTINUING EDUCATION PROGRAM

State Auditor's Office - Insurance Department
P. O. Box 4009
Helena, Montana 59604-4009
406-444-2040

Business name_____

Business address_____

City_____**State**___**Zip Code**_____

Continuing Education Contact_____

Number of courses you expect to offer in Montana _____

Type of courses on-site correspondence both

Course subjects (circle all that apply)

Annuities	Casualty	Credit Life and Disability
Disability	Health	Life
Long Term Care	Medicare Supplement	Property
Surety	Title	Variable Products

Other _____

Are your courses certified in other states? Yes No

Which states?_____

_____

Please enclose a stamped, self-addressed, 9 X 12 envelope to receive course certification materials.

If your form is not returned your name will be removed from our mailing list.

INSURANCE CONTINUING EDUCATION ADMINISTRATIVE RULE TIME TABLE

August 1993

Develop draft administrative rules - staff

September 1993

8 - Discuss/revise draft administrative rule issues - Advisory Council

Incorporate Advisory Council direction into draft administrative rules - staff

October 1993

6 - Send draft rules to Advisory Council members - staff
15 - Discuss/revise draft administrative rules - Advisory Council

Finalize draft administrative rules - staff

18 - File public notice of rules hearing - Secretary of State
28 - Publication of proposed rules notice - Secretary of State
28 - Mailing of proposed rules to interested parties - staff

November 1993

1 - Announce public hearing - Auditor's staff (press release)
29 - Public hearing on proposed rules - Advisory Council members attend
30 - Close of public comment period

December 1993

Prepare responses to public comments - staff

13 - File public notice of adoption - Secretary of State
23 - Publish notice of adoption - Secretary of State
24 - Rules final and effective
27 - Print interim rule copies for distribution - staff

March 1994

Distribute final rules to staff, advisory council members and requesting entities (agents, companies, agencies, other states, etc.)

September 7, 1993

EXHIBIT 5

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Proposed 1993 Meeting Schedule

The following dates are open on all advisory council member schedules:

Wednesday, September 8*

Monday, October 4
Wednesday, October 6*
Friday, October 15*
Wednesday, October 20

Wednesday, November 3*
Wednesday, November 17*
Monday, November 22
Monday, November 29***

Friday, December 3
Monday, December 6
Friday, December 10*
Wednesday, December 15*
Friday, December 17

* - recommended or alternate meeting dates
*** - required Public Hearing on proposed Administrative Rules

Updated September 7, 1993

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Work Plan

September 1993

SCHEDULED ACTIVITIES

8th Initial meeting of the Insurance Continuing Education Advisory Council -- 1:00 pm, Dept. of Natural Resources and Conservation, Director's Conference Room, 1520 East 6th Avenue, Helena

GOALS

* Review materials on Senate Bill 354, continuing education nationwide, insurance producers and consultants in Montana
* Adopt Advisory Council work plan
* Set meeting dates through December 1993
* Discuss administrative rule process
* Discuss administrative rule issues

October 1993

SCHEDULED ACTIVITIES

6th Advisory Council meeting -- Discuss proposed administrative rules on course certification standards, instructor certification standards, fees and projected program budget

15th Possible Advisory Council meeting -- to deal with any items remaining October 6

18th Give public notice of rules through Secretary of State

GOALS

* Review and revise draft administrative rules for submission
* Review format for educator submission of course completion data
* Submit draft administrative rules to Secretary of State to begin formal rule making process

EXHIBIT 7

CONTINUING EDUCATION RULES
- ITEMS TO DISCUSS -

General

Define level of insurance sales that qualify as "incidental to other non-insurance activities".

Fees

Acceptability of a maximum, per year fee level for education providers.

Dependency of educator fee levels on course credits.

Course Certification

Acceptability of courses with non-monitored exams.

Acceptability of courses other than "pure" insurance courses for continuing education credit.

Definition of what exactly constitutes an hour (or credit) of instruction.

Acceptability of package certification of several small courses offered at a conference or meeting.

Allowability of audiotape, videotape, correspondence and remote site training or course offerings.

Course Providers

Elements of the instructor certification method.

Elements of the student complaint process.

Elements of the appeal process for providers.

Licensee

Acceptability of receipt of continuing education credit by course instructors for courses they teach.

November 1993

SCHEDULED ACTIVITIES

3rd Advisory Council meeting -- Certify other state programs, discuss form for insurance provider submission, review industry association sponsored courses

29th Public hearing on proposed administrative rules for insurance continuing education program -- afternoon

GOALS

* Review course materials from course providers for certification
* Review form for written certification by licensees
* Attend/participate in public hearing on Administrative Rules

December 1993

SCHEDULED ACTIVITIES

10th Advisory Council meeting -- Certify courses

24th Rules final

GOALS

* Review draft list of course providers and courses
* Notify (send letter):
  - Course providers of certification
  - Licensees of continuing education requirements and fees and certified course providers

January 1994

SCHEDULED ACTIVITIES

* Hire administrative assistant/licensing position

GOALS

* Review list of consumer complaints to identify material to include in changes in insurance statutes and administrative rules course
* Evaluate and certify additional courses.

February 1994

SCHEDULED ACTIVITIES
Advisory Council meeting --

GOALS
* Develop course on changes in Montana insurance statutes and administrative rules

March 1994

SCHEDULED ACTIVITIES

GOALS
* Offer in-house dry run of 1 hour changes in Montana insurance statutes and administrative rules course. Make appropriate revisions.

April 1994

SCHEDULED ACTIVITIES
Advisory Council meeting -- certify additional courses

GOALS
* Review information to evaluate fee levels based on program costs to date.

May 1994

SCHEDULED ACTIVITIES

GOALS
* Prepare and print changes in Montana insurance statutes and administrative rules course book.

June 1994

SCHEDULED ACTIVITIES
Advisory Council meeting --

GOALS
* Provide changes in Montana insurance statutes and administrative rules course to out-of-state licensees.

by the insurance. If, however, the originating in r desires additional service to be rendered during the term of the policy, then the compensation for the countersigning resident insurance producer must be in an additional amount as is fixed by mutual agreement of the parties in interest.

(2) If pursuant to the laws of another state the countersigning insurance producers of that state retain as commission or compensation with respect to business originated by Montana insurance producers more than 5% of the premium, then the Montana insurance producers who countersign policies representing business originated by insurance producers of the other state shall charge and receive a commission in an amount not less than that received by countersigning insurance producers of the other state.

History: En. Sec. 69, Ch. 286, L. 1959; R.C.M. 1947, 40-2824; amd. Sec. 58, Ch. 713, L. 1989.

33-17-1114. Policies issued at home or branch offices. Nothing in 33-17-1111 through 33-17-1113 prevents an insurer from issuing a policy, as to which the countersignature requirement of 33-17-1111 applies, at its home or branch office, but the policy must be subsequently countersigned, where otherwise required, by an insurance producer residing in Montana. The insurance producer residing in Montana shall receive the commission on the policy when the insurance premium is paid. This section does not apply to life insurance.

History: En. Sec. 70, Ch. 286, L. 1959; R.C.M. 1947, 40-2825; amd. Sec. 59, Ch. 713, L. 1989.

Part 12
Insurance Producer and Consultant Continuing Education Act

33-17-1201. Short title. This part may be cited as the "Insurance Producer and Consultant Continuing Education Act".

History: En. Sec. 1, Ch. 622, L. 1993.

Compiler's Comments

Effective Date: Section 11(1), Ch. 622, L. 1993, provided that this section is effective July 1, 1993.

33-17-1202. Purpose. The purposes of this part are to:

(1) protect insurance consumers and dedicated insurance producers and consultants by requiring continuing education for insurance producers and consultants;

(2) better educate insurance producers and consultants about changes in insurance law, products, ethical conduct as an insurance producer or consultant, marketing, and management; and

(3) provide standards for the qualification of instructors, courses, and materials.

History: En. Sec. 2, Ch. 622, L. 1993.

Compiler's Comments

Effective Date: Section 11(1), Ch. 622, L. 1993, provided that this section is effective July 1, 1993.

33-17-1203. Continuing education — basic requirements — exceptions. (1) Unless exempt under subsection (4):

(a) a person licensed to act as an insurance producer for property, casualty, surety, or title insurance or as a consultant for general insurance shall, during each calendar year, complete at least 10 credit hours of approved continuing education;

(b) a person licensed to act as an insurance producer for life, disability, or credit life and disability insurance or as a consultant for life insurance shall, during each calendar year, complete at least 10 credit hours of approved continuing education;

(c) a person holding multiple licenses shall, during each calendar year, complete at least 15 credit hours of approved continuing education;

(d) a person licensed as an insurance producer or consultant shall, during each biennium, complete at least 1 credit hour of approved continuing education on changes in Montana insurance statutes and administrative rules.

(2) If a person licensed as an insurance producer or consultant completes more credit hours of approved continuing education in a year than the minimum required in subsection (1), the excess credit hours may be carried forward and applied to the continuing education requirements of the next year.

(3) The commissioner may, for good cause shown, grant an extension of time, not to exceed 1 year, during which the requirements imposed by subsection (1) may be completed.

(4) The minimum continuing education requirements do not apply to:

(a) a person licensed to sell any kind of insurance for which an examination is not required under 33-17-212(7)(d) through (7)(g);

(b) a person holding a temporary license issued under 33-17-216;

(c) a nonresident licensee who must meet continuing education requirements in the licensee's state of residence if that state accords substantially similar privileges to and has similar requirements of residents of this state;

(d) a newly licensed insurance producer or consultant during the calendar year in which the licensee first received a license;

(e) an insurance producer or consultant otherwise exempted by the commissioner; or

(f) a person selling only credit life and disability insurance incidental to other noninsurance activities.

History: En. Sec. 3, Ch. 622, L. 1993.

Compiler's Comments

Effective Date: Section 11(1), Ch. 622, L. 1993, provided that this section is effective July 1, 1993.

33-17-1204. Review and approval of continuing education courses by commissioner — advisory council. (1) The commissioner shall, after review by and at the recommendations of the advisory council established under subsection (2), approve only those continuing education courses, lectures, seminars, and instructional programs that the commissioner determines would improve the product knowledge, management, ethics, or marketing capability of the licensee. Course content, instructors, material, instructional format, and the sponsoring organization must be approved and

periodically reviewed by the commissioner. The filing fee and process for approval of a course, lecture, seminar, or instructional program must be determined by the commissioner by rule. The commissioner shall also determine the number of credit hours to be awarded for completion of an approved continuing education activity.

(2) The commissioner shall appoint an advisory council, pursuant to 2-15-122, consisting of one representative of the independent insurance agents of Montana, one representative of the Montana association of life underwriters, one representative of the professional insurance agents of Montana, two public members who are not directly employed by the insurance industry, one insurance producer or consultant not affiliated with any of the three listed organizations, and a nonvoting presiding officer from the department who will be appointed by the commissioner as a representative of the department. The members of the council shall serve a term of 2 years, except that the initial term of the representative from each organization is 3 years. The commissioner shall consult with the council in formulating rules and standards for the approval of continuing education activities and prior to approving specific education activities. The provisions of 2-15-122(9) and (10) do not apply to this council.

(3) In conducting periodic review of course content, instructors, material, instructional format, or a sponsoring organization, the commissioner may exercise any investigative power of the commissioner provided for in 33-1-311 or 33-1-315.

(4) If after review or investigation the commissioner determines an approved continuing education activity is not being operated in compliance with the standards established under this section, the commissioner may revoke approval, place the activity under probationary approval, or issue a cease and desist order under 33-1-318.

History: **En. Sec. 4, Ch. 622, L. 1993.**

Compiler's Comments

Effective Date: Section 11(1), Ch. 622, L. 1993, provided that this section is effective July 1, 1993.

33-17-1205. *(Effective January 1, 1995)* **Compliance — failure to comply.** (1) Each person subject to the requirements of 33-17-1203 shall file annually on a form supplied by the commissioner written certification as to the approved courses, lectures, seminars, and instructional programs successfully completed by that person during the preceding calendar year. The form must be accompanied with a filing fee established by the commissioner.

(2) The commissioner may suspend the license of any person failing to comply with subsection (1) who has not been granted an extension under 33-17-1203 and may impose a late renewal fee in the amount of twice the annual filing fee. The suspension must remain in effect until the time that the person demonstrates to the satisfaction of the commissioner that the person has complied with all the provisions of this part. If the license of an insurance producer or consultant is suspended by reason of this section for a period exceeding 12 months, the license must be terminated upon notice to the insurance producer or consultant.

(3) Each person providing approved courses, lectures, seminars, and instructional programs, including insurance company education programs, shall file annually with the commissioner an alphabetical list of the names and addresses of all persons who have successfully completed an approved continuing education activity during the preceding calendar year.

(4) The commissioner may, following the process provided for in 33-1-314, withdraw approval of all courses, lectures, seminars, and instructional programs of any person that fails to comply with subsection (3). The commissioner may, after having conducted a hearing pursuant to 33-1-701, impose a fine upon a person that has failed to comply with subsection (3). The fine may not exceed the penalty permitted by 33-1-317.

History: En. Sec. 5, Ch. 622, L. 1993.

Compiler's Comments

Effective Date: Section 11(2), Ch. 622, L. 1993, provided that this section is effective January 1, 1995.

33-17-1206. Rulemaking authority. The commissioner may adopt rules to implement this part.

History: En. Sec. 6, Ch. 622, L. 1993.

Compiler's Comments

Effective Date: Section 11(1), Ch. 622, L. 1993, provided that this section is effective July 1, 1993.

33-17-1207. Funding for continuing education program. All annual continuing education filing fees collected by the commissioner and fees paid to the commissioner for the review of initial applications for approval of continuing education courses or the periodic review of these courses must be turned over promptly to the state treasurer who shall place the money in the state special revenue fund to the credit of the state auditor's office to be used for the continuing education program. The funds allocated by this section to the state special revenue fund may be used only to defray the expenses of the state auditor's office in discharging its duties as prescribed by this part, subject to the applicable laws relating to the appropriation of state funds and to the deposit and expenditure of state money. The state auditor is responsible for the proper expenditure of this money as provided by law.

History: En. Sec. 9, Ch. 622, L. 1993.

Compiler's Comments

Effective Date: Section 11(1), Ch. 622, L. 1993, provided that this section is effective July 1, 1993.

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0354, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: An act creating a continuing education for insurers program; providing that the program be administered by the commissioner of insurance; granting rulemaking authority to conduct the program.

ASSUMPTIONS:

1. It is assumed that 1.00 FTE Grade 14 program specialist and 1.00 FTE (0.75 FTE in FY94) administrative assistant will be added to the Insurance Program in the State Auditor's Office to implement and manage the new requirements.
2. Operating expense increases are estimated to include $9,000 in FY94 and $4,000 in FY95 for advisory council meetings. Data processing development expenses are estimated to require $35,000 in FY94 and $15,000 in FY95. Other operating expenses include administrative rule fees, postage and mailing, in-state travel, communications, and supplies.
3. Currently, 4,185 out-of-state insurance agents pay a $10 per year renewal fee. With the new program requirements, this number will drop to 2,090.
4. There are currently 6,900 in-state agents who pay no fee. With the new program, this number will decrease to 5,900.
5. Initially, 200 continuing education courses will be certified at a fee of $150 per course. Courses will be reauthorized every other year. There will be no renewal fee until FY96.
6. The State Auditor's Office will set fees at a level necessary to cover the costs of the licensing and continuing education program. Fees will be set to match revenue and expenditures over the biennium, but most revenue will not be collected until FY95. Therefore, an interentity loan will be necessary in FY94 to provide necessary cash. Fees are estimated at $25 per year for agents, $150 for initial certification courses and $50 for the biennial renewal fee.
7. The executive budget recommended 100% general fund support for the Insurance Program. However, on February 2, 1993, the Joint Appropriations Subcommittee on General Government and Transportation approved a program budget which included $41,850 each year in state special revenue funds attributable to non-resident insurance producer fees.

FISCAL IMPACT: State Auditor's Office - Insurance Program:

	FY '94			FY '95		
Expenditures:	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
FTE	30.00	31.75	1.75	30.00	32.00	2.00
Personal Services	935,160	981,490	46,330	937,320	989,052	51,732
Operating Expenses	168,580	233,630	65,050	159,270	207,320	48,050
Equipment	3,300	7,768	4,468	0	0	0
Total	1,107,040	1,222,888	115,848	1,096,590	1,196,372	99,782
Funding:						
General Fund	1,065,190	1,065,190	0	1,054,740	1,054,740	0
State Special Revenue	41,850	157,698	115,848	41,850	141,632	99,782
Total	1,107,040	1,222,888	115,848	1,096,590	1,196,372	99,782
Revenue:						
State Special Revenue	41,850	71,850	30,000	41,850	228,150	186,300
Net Impact on State Special Revenue			(85,848)			86,518

Dave Lewis 2-16-93

DAVID LEWIS, BUDGET DIRECTOR DATE

Office of Budget and Program Planning

B.F. "CHRIS" CHRISTIAENS, PRIMARY SPONSOR DATE

Fiscal Note for SB0354, as introduced

SB 354

SYNOPSIS OF RULE MAKING PROCEDURE

An administrative rule is a rule which is duly adopted to implement a section of the Montana Codes Annotated. Rules are printed in a series of dark green books entitled the Administrative Rules of Montana. Changes to rules, new rules or repeal of existing rules are published in accordance with the Administrative Procedure Act in the Montana Administrative Register, a light green publication, published twice monthly. Contained in the Administrative Rules of Montana are all rules of all departments of state government. Contained in the Montana Administrative Register are notices of proposed changes to those rules and of adoptions of the changes, along with ATtorney General's Opinions.

A board or agency proposes a rule amendment, repeal or adoption of a new rule. Proposed new rules should be brief, concise and contain one subject matter per rule. Rules should not unnecessarily repeat statutes.

The proposed rule is typed in proper form and submitted to the Secretary of State's office for filing and publication in the Montana Administrative Register. It must contain:

(1) The substance of the material to be adopted or changed;

(2) A statement whether a hearing is contemplated;

(a) If a hearing is planned, it must be scheduled at least 20 days after the date of publication of the notice of intent. DAte of publication is usually 10 days after the filing deadline to the Secretary of State. The time and place of the hearing should be spelled out;

(3) A justification of rationale must be included for every rule adoption, amendment or repeal. It must be more than a statement that the rule is implementing a legislative bill or a section of the statutes. It must state why the proposal is necessary. The following is the rationale used when the Board of Nursing amended two rules to allow for repeat examinations. Previous rules had allowed only three examinations in a three year period. "Changes are proposed in 8.32.403 and 8.32.404 to conform to the current licensing examinations for registered and practical nursing. Prior to 1982, the State Board Test Pool Examination was the accepted licensing exam. Limits were placed on the number of times a candidate was permitted to rewrite the SBTPE, because, as a norm-referenced test, the SBTPE did not provide for an equivalent measure of any candidate's ability when taken on more than one occasion. Since 1982, the National Council Licensure Examination is the accepted licensing examination. As a criterion-referenced examination the NCLEX is designed to provide a valid measure of safe competence at each testing regardless of how many times the exam is attempted. Consequently, there is no longer a rationale for limiting the number of times a candidate may rewrite the registered nurse and practical nurse examinations."

(4) An implementing and authority section for each rule change. This means the section of the statute which gives the board or agency the authority to make rule changes, and the section of the statute which the rule implements.
(5) A deadline for comments, whether a hearing is scheduled or not. This deadline is a minimum of 28 days from date of publication. It can exceed 28 days. Occasionally, a board will want to extend the deadline for comments to correspond with a hearing date.
(6) No rule change can be adopted prior to 30 days from date of publication nor 6 months after the date of publication. Notice of adoption is a separate notice filed with the Secretary of State at last 30 days after publication of the original notice and is also published in the Montana Administrative Register. It is published after the board has considered comments addressed at hearings or filed with the board. If 6 months have elapsed from the date of publication without notice of adoption, a new notice must be filed prior to adopting the change. The procedure starts over.

A rule becomes effective the day after publication of the notice of adoption (the second notice). See the attached table for example of the time frame for rule notice on May 7, 1990. The procedure for a rule change to become effective normally takes 2 months.

When a rule is noticed with no hearing contemplated, and a hearing is requested by the required number of interested persons, the Administrative Code Committee or by an organization having 25 or more members who would be directly affected by the rule change, a hearing must be held. Notice of this hearing must be published and a new time frame established including allowing another 28 day comment period. This has the effect of delaying the rule making process for 6 to 8 weeks. Most boards will schedule a hearing if the subject matter of the rule is controversial or if a delay of 6 to 8 weeks would create a major problem. There have been occasions when hearings are scheduled and no one appears to offer comments or testimony. The decision whether to notice a hearing is a judgment call.

If objections are made to a proposed rule or rule change the board must make a statement of how the board handled the objection and why in its notice of adoption.

When there is a hearing held by a presiding officer without the board present, the presiding officer must make a report to the board before it adopts the rule or rule amendment.

Rules which adopt material by reference must contain a statement of where a copy of the material can be obtained. For example, if a board wishes to adopt a national publication by reference rather than publish the entire publication due to length, it must name the specific publication and include a statement that a copy of the material can be obtained by contacting the board office, listing the address. The Secretary of State may require a copy of the material to be filed with his office. If the publication periodically is updated, the board must periodically publish an amendment which includes

Insert 11

reference to the updated version. This may simply be a change in the edition date.

All proposed rule changes are reviewed by the Administrative Code committee of the Legislature and the Governor's Office. If there is a potential problem such as a board exceeding its statutory authority (for example, an attempt to adopt continuing education rules without specific authority in the board practice act), the Code Committee or the Governor notifies either the person responsible for the board, one of the attorneys or ~~Elois Johnson~~ Sue, staff legal secretary. If the Code Committee raises an objection and the board proceeds over objection, the Code Committee can elect to publish its objection, along with the board's response to the objection in the Administrative Rules of Montana next to the rule in question.

Replacement pages are filed with the Secretary of State every 3 months. A replacement page is a page which replaces a current change which has been adopted during that three month period. Because the pages of the Administrative Rules of Montana are in the computer system, if a board needs the changed pages prior to the date they are to be submitted to the Secretary of State's office, a request can be made to Elois Johnson, and, if the work load permits, the board can receive an early copy.

Forms listing the information required for a rule notice are available from ~~Elois Johnson's office within the Department of Commerce~~.

Rulemaking

Most boards are required to adopt administrative rules under the Administrative Procedures Act. These rules have the effect of law; they are used to amplify or clarify the statues which govern the board's activities. They affect many people, so it is important to make sure they are adopted properly.

a. The board's administrative staff, working with the board, develops the proposed rules keeping these guidelines in mind:

- The board must have legal authority to adopt the rule, and may adopt only rules that are authorized by statutes and not in excess of statutory authority.
- The board must take into account the economic impact of the proposed rule on consumers and affected businesses, industries and occupations.
- The board may not adopt a rule which violates the law or the constitution.
- The board must comply with statutory requirements for rule-making procedures.

b. The board reviews and approves the proposed rules.

c. The board's legal counsel from the Department's legal staff should be asked to review the proposed rules.

d. Another member of the Department's legal staff is required by statute to review the proposed rules.

e. The Governor's office reviews the proposed rule.

f. Public notice is given of the intent to adopt the proposed rules.

g. A public hearing may be held to hear testimony on the proposed rules. At the very least, interested persons are permitted to submit written comments.

h. The Administrative Code Committee reviews the proposed rules and may also call for a hearing where the public interest is deemed served.

i. The board considers the comments received either written or presented at the hearing and acts on the proposed rules, either adopting them in whole or part or rejecting them.

j. The rules as adopted are sent to the Secretary of State for filing and public notice is given that the rules have been adopted by the board.

Budgeting

INSURANCE CONTINUING EDUCATION ADMINISTRATIVE RULE TIME TABLE

August 1993

Develop draft administrative rules - staff

September 1993

8 - Discuss/revise draft administrative rule issues - Advisory Council

Incorporate Advisory Council direction into draft administrative rules - staff

October 1993

6 - Send draft rules to Advisory Council members - staff
15 - Discuss/revise draft administrative rules - Advisory Council

Finalize draft administrative rules - staff

18 - File public notice of rules hearing - Secretary of State
28 - Publication of proposed rules notice - Secretary of State
28 - Mailing of proposed rules to interested parties - staff

November 1993

1 - Announce public hearing - Auditor's staff (press release)
29 - Public hearing on proposed rules - Advisory Council members attend
30 - Close of public comment period

December 1993

Prepare responses to public comments - staff

13 - File public notice of adoption - Secretary of State
23 - Publish notice of adoption - Secretary of State
24 - Rules final and effective
27 - Print interim rule copies for distribution - staff

March 1994

Distribute final rules to staff, advisory council members and requesting entities (agents, companies, agencies, other states, etc.)

September 7, 1993

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Proposed 1993 Meeting Schedule

The following dates are open on all advisory council member schedules:

Wednesday, September 8*

Monday, October 4
Wednesday, October 6*
Friday, October 15*
Wednesday, October 20

Wednesday, November 3*
Wednesday, November 17*
Monday, November 22
Monday, November 29***

Friday, December 3
Monday, December 6
Friday, December 10*
Wednesday, December 15*
Friday, December 17

* - recommended or alternate meeting dates
*** - required Public Hearing on proposed Administrative Rules

Updated September 7, 1993

CONTINUING EDUCATION RULES
- ITEMS TO DISCUSS -

General

Define level of insurance sales that qualify as "incidental to other non-insurance activities".

Fees

Acceptability of a maximum, per year fee level for education providers.

Dependency of educator fee levels on course credits.

Course Certification

Acceptability of courses with non-monitored exams.

Acceptability of courses other than "pure" insurance courses for continuing education credit.

Definition of what exactly constitutes an hour (or credit) of instruction.

Acceptability of package certification of several small courses offered at a conference or meeting.

Allowability of audiotape, videotape, correspondence and remote site training or course offerings.

Course Providers

Elements of the instructor certification method.

Elements of the student complaint process.

Elements of the appeal process for providers.

Licensee

Acceptability of receipt of continuing education credit by course instructors for courses they teach.

SENATE BILL NO. 354

INTRODUCED BY CHRISTIAENS, REA, KOEHNKE, HARDING, HAGER, MESAROS, TOEWS, WILSON, BRANDEWIE, BRUSKI-MAUS, LYNCH, SIMON, PAVLOVICH, SCHYE, WHALEN, BACHINI

BY REQUEST OF THE STATE AUDITOR

A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A CONTINUING EDUCATION FOR INSURERS PROGRAM; PROVIDING THAT THE PROGRAM BE ADMINISTERED BY THE COMMISSIONER OF INSURANCE; GRANTING RULEMAKING AUTHORITY TO CONDUCT THE PROGRAM; AMENDING SECTIONS 33-2-708 AND 33-17-1001, MCA; AND PROVIDING EFFECTIVE DATES."

STATEMENT OF INTENT

A statement of intent is required for this bill because it authorizes the commissioner of insurance to promulgate rules relating to the course content, instructors, material, instructional format, department of insurance forms, and procedures that will compose the continuing education program for insurance producers and consultants and the fees related to the costs of processing the documents and preparing and providing the services mandated by this bill. The legislature intends that the rules adopted to implement this bill be designed principally to protect the insurance-buying public in Montana by ensuring that

insurance producers and consultants complete appropriate education activities as a condition of continued licensure. To the extent that they do not conflict with this bill, the model regulations on agents' continuing education adopted by the national association of insurance commissioners in July 1990 express principles that are consistent with this legislative intent and may be used as a model for the continuing education program. The legislature further intends that the commissioner adopt the rules in accordance with 33-1-313, which grants the commissioner general rulemaking authority that permits the commissioner:

(1) to make only reasonable rules that do not extend, modify, or conflict with any laws of this state or with any reasonable implication of those laws; and

(2) to make or amend those rules only after a hearing of which notice has been given as required by 33-1-703.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1.** Short title. [Sections 1 through 6 and 9] may be cited as the "Insurance Producer and Consultant Continuing Education Act".

NEW SECTION. **Section 2.** Purpose. The purposes of [sections 1 through 6 and 9] are to:

(1) protect insurance consumers and dedicated insurance producers and consultants by requiring continuing education

REFERENCE BILL
AS AMENDED

for insurance producers and consultants;

(2) better educate insurance producers and consultants about changes in insurance law, products, ethical conduct as an insurance producer or consultant, marketing, and management; and

(3) provide standards for the qualification of instructors, courses, and materials.

NEW SECTION. **Section 3.** Continuing education -- basic requirements -- exceptions. (1) Unless exempt under subsection (4):

(a) a person licensed to act as an insurance producer for property, casualty, surety, or title insurance or as a consultant for general insurance shall, during each calendar year, complete at least 10 credit hours of approved continuing education;

(b) a person licensed to act as an insurance producer for life, disability, or credit life and disability insurance or as a consultant for life insurance shall, during each calendar year, complete at least 10 credit hours of approved continuing education;

(c) a person holding multiple licenses shall, during each calendar year, complete at least 15 credit hours of approved continuing education;

(d) a person licensed as an insurance producer or consultant shall, during each biennium, complete at least 1

credit hour of approved continuing education on changes in Montana insurance statutes and administrative rules.

(2) If a person licensed as an insurance producer or consultant completes more credit hours of approved continuing education in a year than the minimum required in subsection (1), the excess credit hours may be carried forward and applied to the continuing education requirements of the next year.

(3) The commissioner may, for good cause shown, grant an extension of time, not to exceed 1 year, during which the requirements imposed by subsection (1) may be completed.

(4) The minimum continuing education requirements do not apply to:

(a) a person licensed to sell any kind of insurance for which an examination is not required under 33-17-212(7)(d) through 7(g);

(b) a person holding a temporary license issued under 33-17-216;

(c) a nonresident licensee who must meet continuing education requirements in the licensee's state of residence if that state accords substantially similar privileges to and has similar requirements of residents of this state;

(d) a newly licensed insurance producer or consultant during the calendar year in which the licensee first received a license; or

(e) an insurance producer or consultant otherwise exempted by the commissioner; OR

(F) A PERSON SELLING ONLY CREDIT LIFE AND DISABILITY INSURANCE INCIDENTAL TO OTHER NONINSURANCE ACTIVITIES.

NEW SECTION. **Section 4.** Review and approval of continuing education courses by commissioner -- advisory council. (1) The commissioner shall, after review by and at the recommendations of the advisory council established under subsection (2), approve only those continuing education courses, lectures, seminars, and instructional programs that the commissioner determines would improve the product knowledge, management, ethics, or marketing capability of the licensee. Course content, instructors, material, instructional format, and the sponsoring organization must be approved and periodically reviewed by the commissioner. The filing fee and process for approval of a course, lecture, seminar, or instructional program must be determined by the commissioner by rule. The commissioner shall also determine the number of credit hours to be awarded for completion of an approved continuing education activity.

(2) The commissioner shall appoint an advisory council, pursuant to 2-15-122, consisting of one representative of the independent insurance agents of Montana, one representative of the Montana association of life

underwriters, one representative of the professional insurance agents of Montana, two public members who are not directly employed by the insurance industry, one insurance producer or consultant not affiliated with any of the three listed organizations, and a nonvoting presiding officer from the department who will be appointed by the commissioner as a representative of the department. The members of the council shall serve a term of 2 years, except that the initial term of the representative from each organization is 3 years. The commissioner shall consult with the council in formulating rules and standards for the approval of continuing education activities and prior to approving specific education activities. The provisions of 2-15-122(9) and (10) do not apply to this council.

(3) In conducting periodic review of course content, instructors, material, instructional format, or a sponsoring organization, the commissioner may exercise any investigative power of the commissioner provided for in 33-1-311 or 33-1-315.

(4) If after review or investigation the commissioner determines an approved continuing education activity is not being operated in compliance with the standards established under this section, the commissioner may revoke approval, place the activity under probationary approval, or issue a cease and desist order under 33-1-318.

NEW SECTION. **Section 5.** Compliance -- failure to comply. (1) Each person subject to the requirements of [section 3] shall file annually on a form supplied by the commissioner written certification as to the approved courses, lectures, seminars, and instructional programs successfully completed by that person during the preceding calendar year. The form must be accompanied with a filing fee established by the commissioner.

(2) The commissioner may suspend the license of any person failing to comply with subsection (1) who has not been granted an extension under [section 3] and may impose a late renewal fee in the amount of twice the annual filing fee. The suspension must remain in effect until the time that the person demonstrates to the satisfaction of the commissioner that the person has complied with all the provisions of [sections 1 through 6 and 9]. If the license of an insurance producer or consultant is suspended by reason of this section for a period exceeding 12 months, the license must be terminated upon notice to the insurance producer or consultant.

(3) Each person providing approved courses, lectures, seminars, and instructional programs, including insurance company education programs, shall file annually with the commissioner an alphabetical list of the names and addresses of all persons who have successfully completed an approved

continuing education activity during the preceding calendar year.

(4) The commissioner may, following the process provided for in 33-1-314, withdraw approval of all courses, lectures, seminars, and instructional programs of any person that fails to comply with subsection (3). The commissioner may, after having conducted a hearing pursuant to 33-1-701, impose a fine upon a person that has failed to comply with subsection (3). The fine may not exceed the penalty permitted by 33-1-317.

NEW SECTION. **Section 6.** Rulemaking authority. The commissioner may adopt rules to implement [sections 1 through 6 and 9].

Section 7. Section 33-2-708, MCA, is amended to read:

"33-2-708. Fees and licenses. (1) Except as provided in 33-17-212(2), the commissioner shall collect in advance and the persons served shall pay to the commissioner the following fees:

(a) certificates of authority:

(i) for filing applications for original certificates of authority, articles of incorporation (except original articles of incorporation of domestic insurers as provided in subsection (1)(b)) and other charter documents, bylaws, financial statement, examination report, power of attorney to the commissioner, and all other documents and filings

required in connection with the application and for issuance of an original certificate of authority, if issued:

(A) domestic insurers ..... $ 600.00

(B) foreign insurers 600.00

(ii) annual continuation of certificate of authority 600.00

(iii) reinstatement of certificate of authority 25.00

(iv) amendment of certificate of authority 50.00

(b) articles of incorporation:

(i) filing original articles of incorporation of a domestic insurer, exclusive of fees required to be paid by the corporation to the secretary of state 20.00

(ii) filing amendment of articles of incorporation, domestic and foreign insurers, exclusive of fees required to be paid to the secretary of state by a domestic corporation 25.00

(c) filing bylaws or amendment to bylaws where required 10.00

(d) filing annual statement of insurer, other than as part of application for original certificate of authority 25.00

(e) insurance producer's license:

(i) application for original license, including issuance of license, if issued 15.00

(ii) appointment of insurance producer, each insurer 10.00

(iii) temporary license 15.00

(iv) amendment of license (excluding additions to license) or reissuance of master license 15.00

(f) nonresident insurance producer's license:

(i) application for original license, including issuance of license, if issued 100.00

(ii) appointment of insurance producer, each insurer 10.00

(iii) annual renewal of license 10.00

(iv) amendment of license (excluding additions to license) or reissuance of master license 15.00

(g) examination, if administered by the commissioner, for license as insurance producer, each examination 15.00

(h) surplus lines insurance producer license:

(i) application for original license and for issuance of license, if issued 50.00

(ii) annual renewal of license 50.00

(i) adjuster's license:

(i) application for original license and for issuance of license, if issued 15.00

(ii) annual renewal of license 15.00

(j) insurance vending machine license, each machine,

each year 10.00

(k) commissioner's certificate under seal (except when on certificates of authority or licenses) 10.00

(l) copies of documents on file in the commissioner's office, per page ..... .50

(m) policy forms:

(i) filing each policy form 25.00

(ii) filing each application, rider, endorsement, amendment, insert page, schedule of rates, and clarification of risks 10.00

(iii) maximum charge if policy and all forms submitted at one time or resubmitted for approval within 180 days 100.00

(n) applications for approval of prelicensing education courses:

(i) reviewing initial application 150.00

(ii) periodic review 50.00

(2) The commissioner shall establish by rule fees COMMENSURATE WITH COSTS for filing documents and conducting the course reviews required by [sections 4 and 5].

~~(2)~~(3) The commissioner shall promptly deposit with the state treasurer to the credit of the general fund of this state all fines and penalties, those amounts received pursuant to 33-2-311, 33-2-705, and 33-2-706, and any fees and examination and miscellaneous charges that are collected

by--him pursuant to Title 33 and the rules adopted under Title 33, except that all fees for filing documents and conducting the course reviews required by [sections 4 and 5] must be deposited in the state special revenue fund pursuant to [section 9].

~~(3)~~(4) All fees are considered fully earned when received. In the event of overpayment, only those amounts in excess of $10 will be refunded."

Section 8. Section 33-17-1001, MCA, is amended to read:

"33-17-1001. Suspension, revocation, or refusal of license. (1) Except as provided in 33-17-411, the commissioner may suspend for not more than 12 months, may revoke or refuse to continue, or may deny an application for a license issued under this chapter or any surplus lines insurance producer license if, after hearing held on not less than 10 days' advance notice by certified mail of the hearing and of the charges against the licensee given as provided in 33-1-314(3) to the licensee, he the commissioner finds that the licensee or applicant has:

(a) engaged or is about to engage in an act or practice for which issuance of the license could have been refused had it then existed and been known to the commissioner;

(b) obtained or attempted to obtain a license through misrepresentation or fraud;

(c) violated or failed to comply with a provision of

this code or has violated a rule, subpoena, or order of the commissioner or of the commissioner of any other state;

(d) improperly withheld, misappropriated, or converted to his the licensee's or applicant's own use money or property belonging to policyholders, insurers, beneficiaries, or others and received in conduct of business under the license;

(e) been convicted of a felony;

(f) in the conduct of his the affairs under the license, used fraudulent, coercive, or dishonest practices or the licensee or applicant is has shown himself to be incompetent, untrustworthy, financially irresponsible, or a source of injury and loss to the public;

(g) made a materially untrue statement in the license application or in the continuing education affidavit;

(h) misrepresented the terms of an actual or proposed insurance contract;

(i) been found guilty of an unfair trade practice or fraud prohibited by Title 33, chapter 18;

(j) had his a license suspended or revoked in any other state;

(k) forged another's name to an application for insurance;

(l) cheated on an examination for a license; or

(m) knowingly accepted insurance business from a person

who is not licensed.

(2) The license of a partnership or corporation may be suspended, revoked, refused, or denied if a reason listed in subsection (1) applies to an individual designated in the license to exercise its powers.

(3) The commissioner may suspend, revoke, or refuse to continue a license under subsection (1)(e) without conducting an investigation pursuant to 37-1-203 or making a written finding pursuant to 37-1-204."

NEW SECTION. **Section 9.** Funding for continuing education program. All annual continuing education filing fees collected by the commissioner and fees paid to the commissioner for the review of initial applications for approval of continuing education courses or the periodic review of these courses must be turned over promptly to the state treasurer who shall place the money in the state special revenue fund to the credit of the state auditor's office to be used for the continuing education program. The funds allocated by this section to the state special revenue fund may be used only to defray the expenses of the state auditor's office in discharging its duties as prescribed by law [SECTIONS 1 THROUGH 6], subject to the applicable laws relating to the appropriation of state funds and to the deposit and expenditure of state money. The state auditor is responsible for the proper expenditure of this money as

provided by law.

NEW SECTION. **Section 10.** Codification instruction. [Sections 1 through 6 and 9] are intended to be codified as an integral part of Title 33, and the provisions of Title 33 apply to [sections 1 through 6 and 9].

NEW SECTION. **Section 11.** Effective dates. (1) [Sections 1 through 4 and 6 through 11] are effective July 1, 1993.

(2) [Section 5] is effective January 1, 1995.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15
In compliance with a written request, there is hereby submitted a Fiscal Note for SB0354, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: An act creating a continuing education for insurers program; providing that the program be administered by the commissioner of insurance; granting rulemaking authority to conduct the program.

ASSUMPTIONS:

1. It is assumed that 1.00 FTE Grade 14 program specialist and 1.00 FTE (0.75 FTE in FY94) administrative assistant will be added to the Insurance Program in the State Auditor's Office to implement and manage the new requirements.
2. Operating expense increases are estimated to include $9,000 in FY94 and $4,000 in FY95 for advisory council meetings. Data processing development expenses are estimated to require $35,000 in FY94 and $15,000 in FY95. Other operating expenses include administrative rule fees, postage and mailing, in-state travel, communications, and supplies.
3. Currently, 4,185 out-of-state insurance agents pay a $10 per year renewal fee. With the new program requirements, this number will drop to 2,090.
4. There are currently 6,900 in-state agents who pay no fee. With the new program, this number will decrease to 5,900.
5. Initially, 200 continuing education courses will be certified at a fee of $150 per course. Courses will be reauthorized every other year. There will be no renewal fee until FY96.
6. The State Auditor's Office will set fees at a level necessary to cover the costs of the licensing and continuing education program. Fees will be set to match revenue and expenditures over the biennium, but most revenue will not be collected until FY95. Therefore, an interentity loan will be necessary in FY94 to provide necessary cash. Fees are estimated at $25 per year for agents, $150 for initial certification courses and $50 for the biennial renewal fee.
7. The executive budget recommended 100% general fund support for the Insurance Program. However, on February 2, 1993, the Joint Appropriations Subcommittee on General Government and Transportation approved a program budget which included $41,850 each year in state special revenue funds attributable to non-resident insurance producer fees.

FISCAL IMPACT: State Auditor's Office - Insurance Program:

	FY '94			FY '95		
Expenditures:	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
FTE	30.00	31.75	1.75	30.00	32.00	2.00
Personal Services	935,160	981,490	46,330	937,320	989,052	51,732
Operating Expenses	168,580	233,630	65,050	159,270	207,320	48,050
Equipment	3,300	7,768	4,468	0	0	0
Total	1,107,040	1,222,888	115,848	1,096,590	1,196,372	99,782
Funding:						
General Fund	1,065,190	1,065,190	0	1,054,740	1,054,740	0
State Special Revenue	41,850	157,698	115,848	41,850	141,632	99,782
Total	1,107,040	1,222,888	115,848	1,096,590	1,196,372	99,782
Revenue:						
State Special Revenue	41,850	71,850	30,000	41,850	228,150	186,300
Net Impact on State Special Revenue			(85,848)			86,518

Dave Lewis 2-16-93
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

B.F."CHRIS" CHRISTIAENS, PRIMARY SPONSOR DATE

Fiscal Note for SB0354, as introduced

SB 354

BEFORE THE STATE AUDITOR AND COMMISSIONER OF INSURANCE
OF THE STATE OF MONTANA

In the matter of the adoption of new rules implementing a continuing education program for insurance producers and consultants	)))))	NOTICE OF PUBLIC HEARING

TO: All Interested Persons.

1. On November 29, 1993, at 2:00 o'clock p.m., MDT, a public hearing will be held in Room 13 of the Sam W. Mitchell Building, 125 Roberts Street, Helena, Montana. The hearing will be to consider the proposed adoption of new rules implementing a continuing education program for insurance producers and consultants, including standards for approval of courses of instruction, review of programs, qualifications of instructors, examination standards, standards for disciplining course providers, procedure for extending time for course completion and applicable fees.

2. The proposed new rules provide as follows:

RULE I SCOPE OF RULES (1) These rules apply to continuing education programs for insurance producers and consultants, and include course content, qualifications of instructors, instructional format, courses and materials, review and approval procedures, application forms and fees.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE II DEFINITIONS For the purposes of this sub-chapter, the following terms have the following meanings:

(1) "Accredited educational institution" means an institution of higher learning that is certified by its appropriate regional accrediting agency to meet that agency's prescribed standards.

(2) "Approved continuing education course" means any course, seminar or program of instruction that has been approved by the commissioner for presentation as part of the continuing education requirements for licensees.

(3) "Certificate of completion" means a document issued by the course provider to the licensee signifying satisfactory completion of a course and reflecting credit hours earned by the licensee.

(4) "Classroom setting" means a course format in which a body of students meet to study the same course materials under the direction of the same approved instructor.

(5) "Credit hour" means the value assigned to a course by the commissioner, upon review and approval of course materials and content outline.

(6) "Hour" means 60 minutes of time, of which at least 50 minutes must be of continuous instruction.

MAR No. 643

(7) "Incidental sale of credit life and disability insurance" means, for the purposes of determining which licensees must complete continuing education requirements, cumulative annual premiums for a calendar year sold in an amount less than $5000.00.

(8) "Licensee" means an individual required to be licensed under Title 33, chapter 17, parts 2, 4 or 5, MCA, except for those licensees involved in the incidental sale of credit life and disability insurance.

(9) "Proctor" means a person who monitors the attendance and conduct of course participants, but who does not participate in course presentations, activities or discussions or complete any required examinations.

(10) "Significant change" means a change in two or more of the following course elements:

(a) course goals or objectives;
(b) major course topic(s);
(c) course length;
(d) syllabus or course outline;
(e) teaching method; or
(f) examination method.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE III COURSE SUBMISSIONS (1) Submissions for approval of courses must include at least the following information:

(a) the name of the sponsoring organization;
(b) the title of the course;
(c) the proposed date(s) of offering;
(d) course goals and objectives;
(e) major course topic(s);
(f) course length;
(g) practical and academic experience of each faculty member to teach the subject assigned;
(h) how the course enhances the ability of a producer to provide insurance services to the public effectively;
(i) a discussion of the relationship of the subject matter to professional ethics;
(j) a list of other states that have approved the course and the credits granted the course in other states;
(k) a syllabus or course outline;
(l) a summary of each course outline element;
(m) method of instruction, such as classroom, correspondence, videotape, audiotape, teleconference, etc;
(n) method of administering examinations, if any;
(o) method of attendance verification;
(p) method of student record maintenance;
(q) instructor qualifications;
(r) a designated contact person; and
(s) a written explanation of test security measures.

(2) Requests for approval of courses must be filed with the commissioner no less than 60 days prior to the anticipated starting date of the course.

(3) Accredited university or college courses will be allowed 15 continuing education credits for each semester credit and 10 continuing education credits for each quarter credit.

(4) Charges for courses must be clearly disclosed to students before enrollment.

(a) If a course is cancelled for any reason, all charges are refundable in full, unless the refund policy is clearly defined in the enrollment application.

(b) In all instances, the charges must be refunded within 45 days of cancellation.

(c) In the event a course is postponed for any reason, students must be given the choice of attending the course at a later date or having their charges refunded in full. The charges must be refunded within 45 days of postponement unless the sponsor is notified that the student has chosen to participate in the postponed course.

(d) A sponsor may have a refund policy addressing a student's cancellation or failure to complete a course, as long as that policy is made clear to potential students.

(5) A course provider must provide proof of course completion to each course participant who successfully completes the approved course of study.

(6) Course providers who add qualified course instructors after a course is approved must submit the name(s) of those instructors to the commissioner prior to the course offering.

(7) A course provider may not schedule more than eight hours of class time in one day.

(8) Course approval is for a period of two years following the course approval date.

(9) Course providers must resubmit courses for new review and certification whenever significant changes in course content are made.

(10) Course submissions that substantially or entirely address the following general course topics may be approved for reduced credit hours:

(a) psychology;
(b) motivation;
(c) prospecting;
(d) supportive office skills;
(e) time management;
(f) agent recruiting;
(g) computer training or programming;
(h) computer science;
(i) required pre-license training; or
(j) securities, other than variable contracts.

(11) The number of credit hours assigned to a course will normally be based upon the classroom or contact time.

(12) Based on the evaluation of the course submitted, the number of credit hours assigned may, for some courses, be less than the total amount of time spent by the licensee in the course.

(13) No activity may be advertised as having been approved for credit until the sponsor receives written approval from the commissioner.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204, MCA

RULE IV QUALIFICATIONS FOR INSTRUCTORS (1) In order for a course to be approved, all involved instructors must meet the following qualifications:

(a) Hold a high school diploma or equivalent certificate; and

(b) Have experience in at least one of the following:

(i) Have three or more years of managerial, supervisory, technical, or teaching experience in the insurance lines the individual plans to teach; or

(ii) Have appropriate national designations; or

(iii) Have been approved on an exception basis by the commissioner.

(2) No person will be qualified as an instructor who:

(a) Has had an insurance producer's or consultant's license suspended or revoked in Montana or any other state; or

(b) At the time of submission, has any outstanding fines for insurance-related disciplinary offenses imposed by the commissioner or by any regulatory authority in any other state.

(3) The character of an instructor, based on such information as prior felony and administrative history, may be considered in deciding instructor qualifications.

(4) Licensees teaching or lecturing approved courses will be credited with two times the number of approved credit hours of courses they instruct.

(5) Proctors will not earn continuing education credit for their services.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE V EXAMINATIONS (1) Except as provided in (5) below, all courses must include an examination which requires a passing score to qualify for a certificate of completion.

(2) For each approved course, the sponsoring organization must maintain a pool of tests sufficient to maintain the integrity of the testing process.

(3) Examinations must be administered, monitored, graded, and the results recorded by the sponsoring organization.

(4) Completed tests will be retained by the sponsoring organization for a period of not less than 12 months and must not be returned to any licensee.

(5) Courses taught by an approved instructor in a classroom setting are exempted from the examination requirement.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204, MCA

RULE VI CERTIFICATION REQUIREMENTS FOR LICENSEES AND LIMIT ON CREDIT FOR COURSES REPEATED (1) Each licensee subject to these rules must file an appropriate certificate of completion and pay the required certification fee each year in the first six months of the calendar year for courses completed in the preceding year. Such certification must be submitted on a schedule established on forms supplied by the commissioner, and completed in their entirety.

(2) Producers and consultants may not earn credit for any courses repeated as either student or instructor within a 2-year period.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE VII EXTENSIONS OF TIME FOR COURSE COMPLETIONS

(1) A licensee may request an extension of the period for required credit hour completion prior to the annual filing deadline.

(2) Each request for an extension of time must be in writing and must include a narrative description of the reasons for the request and any available documentation to support the request.

(3) Upon a finding of good cause, the commissioner may extend the time for the licensee to complete the requirement.

(4) The licensee's licenses and appointments will remain in effect during the extension period.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 2-4-631 and 33-17-1205, MCA

RULE VIII NON-RESIDENT REQUIREMENTS (1) A non-resident licensee whose state of residence imposes continuing education requirements similar to those of Montana, may comply with Montana's continuing education requirement by submitting a completed compliance certification form and a letter of certification from the resident state confirming compliance in that state.

(2) Non-resident licensees from states that do not require continuing education must meet the requirements of this state.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203 and 33-17-1204, MCA

RULE IX COURSE AUDIT (1) The commissioner or members of the commissioners staff may audit courses approved for the continuing education program on a no-fee basis and as a regular part of course review, with or without notice to the course provider.

(2) Course provider records must be made available to the commissioners staff for audit, at department request.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1203, 33-17-1204 and 33-17-1205, MCA

RULE X SANCTIONS AGAINST COURSES AND COURSE PROVIDER SUSPENSION (1) Approval of a program may be revoked or placed under probationary approval if the commissioner determines that:

(a) The program teaching method or program content no longer meet the standards of these rules or have been significantly changed without approval of the commissioner; or

(b) The course provider certifies that an individual has completed a program in accordance with the standards established for certification or completion of the program, when in fact the individual has not done so; or

(c) Individuals who have satisfactorily completed the program in accordance with the standards established for certification or completion were not so certified by the program or instructor; or

(d) The instructor or sponsoring organization no longer meets the standards of these rules, has had a license revoked or placed under probationary approval, or lacks education or experience in the subject matter of the proposed courses.

(2) Reinstatement of a revoked or probationary approval may be made upon proof satisfactory that the conditions responsible for the revocation or probationary approval have been corrected and the provider is not otherwise disqualified.

(3) The commissioner reserves authority to issue a cease and desist order under 33-1-318, MCA, in appropriate urgent cases.

AUTH: 33-1-313 and 33-17-1206, MCA
IMP: 33-17-1204 and 33-17-1205, MCA

RULE XI FEES SCHEDULE

(1) Licensees:

(a) Filing annual certification of course completion . . . . . $ 25.00

(b) Late renewal fee . . . . . $ 50.00

(2) Course providers:

(a) Submission of a course or program for review and initial biennial certification . . . . . $ 75.00

(b) A maximum submission fee of $1,500.00 may be charged a course provider during a biennium for initial review of courses.

(3) Accredited educational institutions are exempt from fee requirements for courses provided for credit.

(4) All fees are non-refundable.

AUTH: 33-1-313 and 33-12-1206, MCA
IMP: 33-2-708, MCA

REASON: These rules are being proposed because they are needed to implement and finance the continuing education program for insurance producers and consultants created by Chapter 622, Laws of 1993. The rules are expressly authorized b sections 33-17-1206 and 33-2-708, MCA.

3. Interested persons may present their data, views, or arguments, either orally or in writing, at the hearing. Written data, views, or arguments may also be submitted to Frank Cote', Deputy Commissioner of Insurance, P.O. Box 4009, Helena, Montana 59604, and must be received no later than November 30, 1993.

4. The State Auditor will make reasonable accommodations for persons with disabilities who wish to participate at this public hearing. If you request an accommodation, please contact the State Auditor's Office not later than 5:00 p.m., November 22, 1993, and advise the office of the nature of the accommodation needed. Please contact Frank Cote', Deputy Commissioner of Insurance, P.O. Box 4009, Helena, Montana 59604; telephone (406) 444-2997; toll free dial 1 and then 800-332-6148; fax (406) 444-3497.

5. Geoffrey L. Brazier, 516 Harrison Avenue, Helena, Montana 59601, has been designated to preside over and conduct the hearing.

DAVID L. HUNTER
Deputy State Auditor

By David L. Hunter

Geoffrey L. Brazier
Rules Reviewer

Certified to the Secretary of State this 18th day of October, 1993.

PROPOSED DRAFT ADMINISTRATION RULES FOR CONTINUING EDUCATION

PURPOSE AND SCOPE

(1) These rules apply to continuing education programs for insurance producers and consultants, including standards for the qualification of instructors, courses and materials, application forms and fees.

DEFINITIONS

(1) For the purposes of this subchapter, the following terms have the following meanings:

(a) "Licensee" means an individual required to be licensed as provided in Title 33, chapter 17, parts 2 or 5, MCA.

(b) "Accredited educational institution" means an institution of higher learning that is certified by its appropriate regional accrediting agency to meet the agency's prescribed standards.

(c) "Approved continuing education course" means any course, seminar or program of instruction that has been approved by the department for the purpose of complying with continuing education requirements for agents.

(d) "Hour" means sixty minutes of time, of which at least fifty minutes must be instruction, ~~with a maximum of ten minutes of break per hour.~~

(e) "Credit hour" means the value assigned to a course by the commissioner, upon review and approval of course materials and content outline.

also attendance requirement

(i) The number of credit hours assigned to a course will normally be based upon the number of classroom contact hours or their equivalent.

(ii) Based on the evaluation of the course content, the number of credit hours assigned may be less than the total amount of time spent by the licensee in the course.

(f) "Certificate of completion" means a document signifying satisfactory completion of a course and reflecting credit hours earned by the licensee.

(g) "Incidental sale of credit life and disability insurance" means annual premiums sold in an amount ~~greater~~ less than $5000.

FEES SCHEDULE

(1) Licensees:

(a) Filing annual certification of course completion	$ 25
(b) Late renewal fee	$ 50

(2) Course Providers:

(a) Submission of courses and programs for review and initial certification	$150 $75/course $1500 cap
~~(b) Biennial review and recertification fee~~ (b) biennial review	~~$ 50~~

(c) Accredited educational institutions are exempted from these fee provisions for courses they provide for credit except

(3) All fees are non-refundable.

COURSE SUBMISSIONS

(1) Requests for approval of courses, instructors, and sponsoring organizations must be submitted on forms approved by the commissioner of insurance.

& Course certification 24 months 2 years

(a) Requests for approval of courses must be submitted to the department no less than 60 days prior to the anticipated starting date of the course.

(2) University or college upper division credit or non-credit courses will be evaluated as follows:

(a) Credit courses: Each semester system credit hour equals 15 continuing education credits; each quarter system credit hour equals 10 continuing education credits;

(b) Non-credit courses: The number of continuing education credits will be determined by the Continuing Education Advisory Council established in 33-17-1204(2), MCA.

(3) A course provider must resubmit the course for new review and certification whenever substantive change in course content is made. A change of instructor for a currently approved course will not require recertification of the entire course, only approval of the instructor. Whether a change is substantive will be determined case-by-case by the Continuing Education Advisory Council.

(4) No activity may be advertised as having been approved for credit until the sponsor receives written notification from the commissioner of insurance.

(5) Fees for courses shall be reasonable and clearly identified to students.

(a) If a course is cancelled for any reason, all fees are refundable in full unless the refund policy is clearly defined in the enrollment application.

(b) In all instances, the fees must be refunded within 45 days of cancellation.

(c) In the event a course is postponed for any reason, students shall be given the choice of attending the course at a later date or having their fees refunded in full. The fees must be refunded within 45 days of postponement unless the student has notified the sponsor that he she has chosen to participate the postponed course.

(d) A sponsor may have a refund policy addressing a student's cancellation or failure to complete a course, as long as that policy is clear to potential students.

(6) Course providers must provide the commissioner of insurance with a 10-day advance notice of a certified course offering.

take language from other states for provider fee

COURSE AUDIT

(1) State Auditor's Office Personnel may audit courses at no cost ~~with or~~ without notice to the sponsoring entity.

(2) The Auditor's Office staff may ~~attend or~~ audit courses certified by the continuing education program on a no-fee basis as a regular part of course review. without notice to the sponsoring entity.

hold records for 3 years.

(3) Course provider records must be available for audit, at department request, ~~at the auditor's office~~

QUALIFICATIONS FOR INSTRUCTORS

be qualified

(1) To qualify for approval as an instructor, an individual must meet the following criteria:

(a) Hold a high school diploma or equivalent; and

(b) Have acquired the following experience:
(i) Three or more years of managerial, supervisory, technical, or teaching experience in the insurance lines the individual plans to teach; OR

(ii) Appropriate national designations; or
(iii) Approved on an exception basis by the commissioner of insurance.

(c) No person may be qualified as an approved instructor who:
(i) Has been convicted of a felony; or
(ii) Has had an insurance producer's or consultant's license suspended or revoked in Montana or any other state; or
(iii) At the time of application, has any outstanding fines for insurance-related disciplinary offenses imposed by the commissioner of insurance in Montana or any other state.

(2) Licensees teaching or lecturing an approved course will qualify for one and one-half times the number of credit hours they instruct.

(3) Continuing education credit will not be granted to an on-site proctor.

EXAMINATIONS

(1) All courses must include an examination which requires a score of 70% or better to qualify for a certificate of completion.

(a) For each approved course, the sponsoring organization must maintain a pool of tests sufficient to maintain the integrity of the testing process.

(b) A written explanation of test security and administration methods must accompany the course submission.

(c) The examinations must be administered, monitored, graded, and the results recorded by the sponsoring organization.

(d) Completed tests must be retained by the sponsoring organization for a period of not less than twelve (12) months and must not be returned to any licensee.

(2) Licensees renewing a national designation through an approved course are exempt from the requirement to pass an examination with a score of 70% or better, based upon successful renewal of such designation.

CERTIFICATION REQUIREMENTS FOR LICENSEES

(1) All licensees subject to this regulation shall file annually with the commissioner of insurance, a certificate of completion and the required filing fee. Such certification shall be on a form supplied by the commissioner, completed in its entirety, and containing such identifying information as is prescribed by the insurance commissioner.

(2) An agent may not take credit for a course on any of the following general subject matters:

~~(a)~~ sales,
(b) motivation,
(c) prospecting,
(d) supportive office skill courses,
~~(e)~~ personnel management,
(f) agent recruiting,
(g) computer training or programming,
(h) computer science,
~~(i)~~ management services,
(j) securities other than variable ~~annuities~~ contracts,
(k) required pre-license training, or
(l) any course repeated as either student or instructor within a ~~1~~ 2-year period.

take out

certain items of the Council may be excluded from credit.

Take Bill's language on this

COURSE AND COURSE PROVIDER SUSPENSION

or revoked

(1) The certification of a program may be suspended if the commissioner of insurance determines that:

(a) The program teaching method of program content no longer meet the standards of the ~~this~~ regulation, or have been significantly changed without notice to the commissioner for recertification; or

(b) The program certified to the commissioner that an individual had completed the program in accordance with the standards furnished for certification or completion of the program, when in fact the individual has not done so; or

(c) Individuals who have satisfactorily completed the program of study in accordance with the standards furnished for certification or completion were not so certified by the program or instructor; or

(d) The instructor or sponsoring organization is not qualified as per the standards of this regulation, has had and insurance license revoked, or lacks education or experience in the subject matter of the proposed courses.

(e) There is other good and just cause why certification should be suspended. or revoked

(2) Reinstatement of a suspended certification will be made upon the furnishing of proof satisfactory to the commissioner that the conditions responsible for the suspension have been corrected.

EXTENSIONS

or revocation

(1) A licensee may appeal for relief to the commissioner of insurance ~~by January 15~~ of the year immediately following the calendar year for which the minimum required credit hours were

within 90 days after they have been notified

not obtained. Upon a finding of reasonable cause, the commissioner may extend the time for the licensee to complete the requirement.

(2) Each request for extension of time must be in writing from the licensee and must include details and any documentation to support the request.

(3) The licensee's licenses and appointments shall remain in effect during the extension period.

NON-RESIDENT REQUIREMENTS

(1) Non-resident licensees whose state of residence requires continuing education may comply with Montana's continuing education requirement by submitting a compliance certification form provided by the commissioner of insurance and shall include a letter of certification from their resident state confirming compliance in that state.

(2) Those non-resident licensees from states not requiring continuing education must meet Montana's requirements the same as a Montana resident.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Proposed Work Plan

September 1993

SCHEDULED ACTIVITIES

8th Initial meeting of the Insurance Continuing Education Advisory Council -- 1:00 pm, Dept. of Natural Resources and Conservation, Director's Conference Room, 1520 East 6th Avenue, Helena

GOALS

* Review materials on Senate Bill 354, continuing education nationwide, insurance producers and consultants in Montana
* Adopt Advisory Council work plan
* Set meeting dates through December 1993
* Discuss administrative rule process
* Discuss administrative rule issues

October 1993

SCHEDULED ACTIVITIES

~~12th~~ Advisory Council meeting -- Discuss proposed administrative rules on course certification standards, instructor certification standards, and fees

18th Give public notice of rules through Secretary of State

GOALS

* Review format for educator submission of course completion data
* Submit draft administrative rules to Secretary of State to begin formal rule making process

November 1993

SCHEDULED ACTIVITIES

3rd/[redacted] Advisory Council meeting -- Certify other state programs, discuss form for insurance provider submission, review industry association sponsored courses

29th ½ day Public hearing on proposed administrative rules for insurance continuing education program

GOALS

* Review course materials from course providers for certification
* Review form for written certification by licensees
* Attend/participate in public hearing on Administrative Rules

December 1993

SCHEDULED ACTIVITIES

10th [redacted] Advisory Council meeting -- Certify courses

24th Rules final

GOALS

* Review draft list of course providers and courses
* Notify (send letter):
  - Course providers of certification
  - Licensees of continuing education requirements and fees and certified course providers

January 1994

SCHEDULED ACTIVITIES

* Hire administrative assistant/licensing position

GOALS

* Review list of consumer complaints to identify material to include in changes in insurance statutes and administrative rules course
* Evaluate and certify additional courses.

February 1994

SCHEDULED ACTIVITIES
Advisory Council meeting --

GOALS
* Develop course on changes in Montana insurance statutes and administrative rules

March 1994

SCHEDULED ACTIVITIES

GOALS
* Offer in-house dry run of 1 hour changes in Montana insurance statutes and administrative rules course. Make appropriate revisions.

April 1994

SCHEDULED ACTIVITIES
Advisory Council meeting -- certify additional courses

GOALS
* Review information to evaluate fee levels based on program costs to date.

May 1994

SCHEDULED ACTIVITIES

GOALS
* Prepare and print changes in Montana insurance statutes and administrative rules course book.

June 1994

SCHEDULED ACTIVITIES
Advisory Council meeting --

GOALS
* Provide changes in Montana insurance statutes and administrative rules course to out-of-state licensees.

INSURANCE CONTINUING EDUCATION ADVISORY COUNCIL

Unaffiliated Insurance Agent Member

John K. Bebee (w) 727-4200
c/o D. A. Davidson & Company Inc.
P.O. Box 5015
Great Falls, MT 59403

Professional Insurance Agents of Montana Member

Bill J. Bolt (w) 453-1464
c/o Flynn Insurance Agency
P.O. Box 711
Great Falls, MT 59403

Independent Insurance Agents of Montana Member

Robin L. Boon (w) 752-7882
33 Second St. E.
Kalispell, MT 59901

Montana Association of Life Underwriters Member

Tony M. Leenknecht, CLU, ChFC (w) 259-6651
P.O. Box 2264 (f) 248-4210
Billings, MT 59103

Public Members

Steve Bahls (w) 243-4311
c/o University of Montana
School of Law
Missoula, MT 59812-1071

Theodore E. Clark (w) 255-3650
1906 Camden Dr. (h) 656-1777
Billings, MT 59102

Non-Voting Member

Mark E. Nelson, Administrator (w) 444-2998
Licensing Division
Insurance Department
State Auditor's Office
P.O. Box 4009
Helena, MT 59604-4009

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THE APPOINTMENT PROCESS:

You have been appointed to serve on a Montana advisory or licensing and regulatory board because of your ability, experience, and interest in serving. Your job as a board member will be to protect the general public and regulate the industry or occupation by exercising good judgment at all times.

Tenures are established by individual board statutes and may vary from board to board (i.e. years of licensed experience, occupation or position, residence, number of public members, etc.). The Governor receives appointment recommendations from many sources. The Governor always gives primary consideration to the ability of the prospective appointee to contribute to the work and the effectiveness of the board.

An appointee becomes an official member of the board after the Oath of Office has been signed and filed with the Secretary of State's office. Senate confirmation of new board members will be requested during a regularly scheduled legislative session.

REPRESENTATION:

Whether you are a public member or a member of a profession, your job as a board member is to serve the general public and regulate the industry or occupation. You have been appointed to represent the people of Montana and to use your best judgment in their interest.

If you were recommended for your board appointment by a professional or occupational group, you will be expected to provide the board with your technical expertise when needed, and to convey the point of view of the group to the board. However, you were not appointed to serve as the representative of the group, and when the group's interests conflict with those of the general public, you should work for the benefit of the public first, with the good of the profession or industry, or an element thereof, taking a secondary position.

BASIC BOARD RESPONSIBILITIES:

The public has the right to expect that regulatory agencies will operate for its protection, and that licensees will be qualified to practice professionally and safely. All persons deserve fair treatment from a state board in settling disputes that may arise under the board's jurisdiction.

Any person who wishes to earn his or her living in an occupation or profession should not be unreasonably prevented from doing so, and should be provided with information and assistance to obtain the necessary license or certification.

Part of your responsibility is to listen to other board members and consider their views, so that the board works as a cohesive, well-informed group in determining good policies and procedures and finding fair solutions to problems.

PUBLIC MEMBERS:

In a sense, all board members are "public members", since the first goal of a board is consumer protection.

Many Department boards have positions that are designated by law as "public member" positions. These members are an important part of the boards, representing the Montana consumer's point of view. Although public members are not expected to be technically expert or experienced in the licensed field they participate fully in most board activities.

Some public members may feel intimidated by professional members' experience in the field, while some professional members may fear that public members will impede board activity because they do not understand the issues. These fears will disappear when board members become aware that they complement one another in performing the work of the board. Public members' special sensitivity to the well-being of the persons not in the regulated profession brings an added perspective to practitioner groups' interest in preserving high standards for their profession.

EFFECTIVE PARTICIPATION:

Effective board members have these characteristics in common:

- They are able to work with a group to make decisions.
- They understand and follow democratic processes.
- They are willing to devote time and effort to the work of the board.
- They work to find alternative solutions to problems whenever necessary.
- They have good communication skills.
- They recognize that the goal of the board is the service and protection of the public.
- They are aware that authority is granted by the law to the board as a whole, not to any member individually, and can only be exercised in open meeting or executive session by vote of the majority of board members.
- They avoid becoming involved in the daily functions of the staff.
- They delay making judgments until adequate evidence is in and they have been fully informed and the issue has been fully discussed.
- They don't allow personal feelings toward others affect their decisions.

You have demonstrated your interest in public service. Your consistent attendance is essential so that you will be informed about what is going on and can make knowledgeable contributions to board discussions. It is important that you prepare for meetings by reading reports, proposals, and other documents prepared by staff. If you are not sure about something, you should feel free to ask for enough information to make your recommendation or decision.

OPEN MEETINGS

In this context the problem of open meetings and individual right of privacy is also a perplexing one. It is mentioned here because these considerations are involved to some extent in almost every board meeting.

The problem exists because of three constitutional rights reserved in the Montana Constitution of 1972. These are "the public's right of participation" and "right to know" and the individual's "right of privacy". Under these "rights" the public has a right to expect boards to afford reasonable opportunity for citizen participation in board activities prior to final board decisions. An individual also has a right to examine public documents and observe deliberations of boards. These rights have been implemented by statute. On the other hand, the right of individual privacy shall not be infringed without a showing of compelling state interest.

Here again failure to understand and apply standards could result in reversal of board decisions and exposure to liability.

It is obvious that these rights are contradictory in some cases. It has been said that resolving the contradictions involves a "balancing act." The Supreme Court and the Attorney General have made some decisions that are helpful in maintaining balance. As a result, most applications are clear, but some gray areas remain. The following comments are offered to serve only as a guide to avoid reversible error:

> When in doubt, don't make snap decisions. Consult staff attorneys.
>
> Generally, meetings of all kinds in which an administrative decision is deliberated on or made must be noticed to the public and must be open to the public.
>
> If a quorum of a board is involved in a discussion about board business, it is a meeting, whether by phone or in person.
>
> The most prevalent gray area involves investigations leading to licensing and disciplining of individuals.
>
> The right of privacy extends to those individuals being investigated and they are the persons who can assert that right. In order for that right to be meaningful, the individual must have notice that his or her activities and interests are scheduled to be discussed by the board or the subject of inquiry by other persons, as the case may be.

The informed individual can then invoke the right to privacy. In any event, the individual has a right to attend and observe board deliberations with respect to his or her interests.

Once an investigation results in the initiation of a contested case, the information is of a nature to which the right of privacy may attach. Boards will have to decide in individual cases whether the individual's privacy clearly exceeds the merits of public disclosure during the investigation. If the individual does not invoke the right of privacy, the subject is treated as public.

However, once a contested case is initiated most contents of investigative files become public record.

Also an individual's license status and history is usually treated as a public record.

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BOARD RESPONSIBILITIES

Since a board's primary function is to protect the public health, safety, and welfare, board members must look at issues from the standpoint of their impact on those who use the services of the regulated profession or occupation and of the general public, as well as on the regulated group . The board's procedures ought to encourage openness and accountability. Wherever possible, boards should avoid restricting choices available to consumers.

Every state board is created to meet a specific need in the management of state government. Some are established by the Legislature as policy making boards, others are appointed by agencies for advisory or study purposes. Over 181 appointed board members serve on 32 boards allocated to the Department.

There are three main types of boards. Some boards may be a mixture of types. The purpose and scope of each board is determined by the state law that created it.

Policymaking Boards are given statutory power by the Legislature to develop policy decisions and enforce regulations. In some cases they hire their own personnel.

Advisory Boards can be created by the Governor, the Legislature, or the Director of the Department. These boards study existing policy and make recommendations for change or implementation. They do not have the power to make or enforce rules, but their research often contributes to effective changes in state regulation.

Licensing Boards examine and license members of a profession or occupation to practice in the state. Some also have the power to discipline, etc. In the exercise of such functions, the board exercises a quasi-judicial function involving hearing individual cases and ruling on them. In those instances, an aggrieved party has access to a direct appeal to a state district court. Many licensing boards are also policymaking boards.

1. Board meeting dates
   - Prepare agenda
   - Prepare background
   - Direct preparation
   - Make all necessary
   etc.
2. Carry out policy and
   Process complaints
4. Supervise clerical
3. Administer examina
   board determines
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   3-101(1), MCA.
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8. Prepare budget rem
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The following responsibilities are usually delegated to the administrative staff:

1. Board meeting details:
   - Prepare agenda in consultation with chairperson.
   - Prepare background information for board study.
   - Direct preparation of minutes.
   - Make all meeting arrangements: location, public notices, etc.
2. Carry out policy decisions of the board.
3. Process complaints.
4. Supervise clerical work when assigned.
5. Administer examinations and grade examinations, unless the board determines that experts or professionals are necessary to administer or grade a particular examination. Section 37-1-101(4), MCA.
6. Communicate with the director, the division administrator, supervisor of administrative support, staff attorney, the licensee and the public.
7. Design forms used to conduct the board's business.
8. Prepare budget requests and budget amendment requests.
9. Monitor income and expenditures to comply with legislative approved budget.
10. Work with the board to develop proposed rules.
11. Provide information to the board about proposed legislation.
    - Track bills during legislative session.
    - Coordinate testimony before legislative committees.
12. Handle administrative details for disciplinary actions taken by the board.
13. Represent the board before legislative committees and professional, occupational and public groups.

Always remember that your board's administrative staff are trained professionals who are capable of handling these details, so board members can devote their time and energies to matters of policy and board procedure that carry out the statutes.